



# THE FREE RIDER

THE USDA ECONOMISTS GROUP  
WASHINGTON, DC

VOL. 16, NO. 11 NOVEMBER 2010

<http://www.usdaeconomists.org>

[usdaecon@lyris.nifa.usda.gov](mailto:usdaecon@lyris.nifa.usda.gov)

## FROM THE PRESIDENT – STEVE NEFF

As we head into the holiday season, we can be thankful that another newsletter has been completed. Here are a few highlights of what we have been doing and are planning.

**Recent Seminars:** On November 9 and 18, the USDA Economists Group was sponsor for two risk management seminars. The first, co-hosted with C-FARE at ERS, was on “The Role of Risk Management in Farm Policy—Addressing the Next Farm Bill.”

The seminar led off with ERS’s Robert Dismukes reviewing the ACRE program and continued with USDA’s former Chief Economist, Keith Collins, on risk management options for next farm bill. Bill Motes of Informa Economics was the moderator before an audience of approximately 75 attendees.

The second seminar, held in the Whitten Building, was by Vince Smith of Montana State University on the topic of “Disaster Programs in the 2012 Farm Bill.”

The three PowerPoint files of these presentations are on the USDA Economists Group website, <http://www.usdaeconomists.org/> the presentations from November 9 are also on the C-FARE website, <http://www.cfare.org/>.

**Board Action on Website Update:** At the most recent board meeting on November 8, the board commented further on the new website designed by Veronica Nigh and asked her to operationalize it. So on December 1, the USDA Economists Group website will be up and running.

**2011 Officers:** If your ears are burning, it’s probably just the buzz from the current board talking about what a great job you would do as a board member next year. You might as well call us before we call you. You don’t incur any obligation or create any expectation of commitment by inquiring about how you can help. There are some officers returning to provide continuity, and we know that there will be some not continuing. Please let me or another of the officers listed at the back of this newsletter know if you or a colleague might like to serve the USDA Economists Group in some way in 2011.

**Annual Meeting:** Save the date. The annual meeting and luncheon will be on January 18 at 11:30AM. Stay tuned for details via listserv message, announcement on the website, and a follow-up note in the December newsletter. As in the past, we plan to have a short program followed by a light lunch.

USDA Economists Group

Professionals using economics in daily activities

## BOOK CLUB

### AUTHOR EVENT!

Please join us as Dr. Pietra Rivoli discusses her book "The Travels of A T-Shirt in the Global Economy: An Economist Examines the Markets, Power, and Politics of World Trade"

Date: Wednesday, December 15

Room: 4158-S

4:30 – 5:30 pm

*For more information please contact Veronica Nigh (202)720-6724.*

## IN FOCUS

### After Food, China Faces Bigger Inflation Challenge

After announcing steps to curb surging food prices that are stoking public anger, China's leaders face the challenge of curbing simmering inflation pressures throughout the economy without derailing its recovery. The double-digit jump in food costs that Beijing vowed November 17 to tamp down is a symptom of widespread, growing price pressures, rather than the cause, analysts say. They blame a flood of bank lending and say communist leaders need to hike interest rates and tighten credit before price rises in other parts of the economy pick up.

<http://www.npr.org/templates/story/story.php?storyId=131232212>

## CALLS FOR PAPERS

Next spring, the Department of Agricultural and Applied Economics at the University of Wisconsin-Madison will host the 8th Midwest International Economic Development Conference. The conference will be held on April 15-16, 2011.

The keynote speaker will be Pranab Bardhan, professor of economics at the University of California, Berkeley, author of 12 books, more than 150 journal articles, and former editor of the Journal of Development Economics.

We invite you to submit a paper or session to present at the conference. Papers and sessions on any topic related to international economic development are welcome. The deadline for submission is January 8, 2011. You will be notified by January 31, 2011 whether your paper has been accepted.

Please feel free to forward this information to colleagues and students who may have an interest in submitting a paper or attending the conference.

For more information and to submit a paper, visit: <http://www.aae.wisc.edu/mwiedc>.

If you have a query, please contact us at: [aae-mwiedc@mailplus.wisc.edu](mailto:aae-mwiedc@mailplus.wisc.edu)

## RECENT RELEASES BY AGRICULTURAL ECONOMISTS

### AMBER WAVES, VOL. 8, ISSUE 4

Amber Waves presents the broad scope of ERS's research and analysis. The magazine covers the economics of agriculture, food and nutrition, the food industry, trade, rural America, and farm-related environmental topics. Available on the Internet and in print, Amber Waves is issued in print four times a year (March, June, September, and December). The Internet edition, or "eZine," includes links to web-only resources, such as podcasts and additional articles.

See

<http://www.ers.usda.gov/AmberWaves/December10/>



## **PRICE SPIKES IN GLOBAL RICE MARKETS BENEFIT U.S. GROWERS, AT LEAST IN THE SHORT TERM**

This Amber Waves feature analyzes how U.S. rice export shipment levels were affected by changes in global prices for traded rice for market years 2007/08 through 2009/10. Particular emphasis is placed on how U.S. export levels were impacted by trade policies of major importers and exporters.

See <http://www.ers.usda.gov/AmberWaves/December10/Features/GlobalRice.htm>

---

## **THE TWO FACES OF RURAL POPULATION LOSS THROUGH OUTMIGRATION**

Over a third of nonmetropolitan counties lost more than 10 percent of their population over the past 20 years through net outmigration. Poverty and low education account for the high net outmigration in some of these counties, but most are relatively prosperous. Their outmigration is related to low population density, geographic isolation, and a lack of scenic amenities. Programs that reduce the disadvantages of geographic isolation and that enhance residents' access to scenic amenities could help slow or reverse net outmigration in many nonmetro counties.

See <http://www.ers.usda.gov/AmberWaves/December10/Features/RuralPopulation.htm>

---

## **LOCAL FOOD SUPPLY CHAINS USE DIVERSE BUSINESS MODELS TO SATISFY DEMAND**

Case studies of mainstream and local food supply chains reveal the variety of ways that food products move from farms to consumers. Farms in local food supply chains maintain a diverse portfolio of products and market outlets, which may help defray large fixed costs across multiple revenue streams. Local food supply chains are more likely to provide consumers with

detailed information about where and by whom products were produced.

See <http://www.ers.usda.gov/AmberWaves/December10/Features/SupplyChains.htm>

---

## **VARIED INTERESTS DRIVE GROWING POPULARITY OF LOCAL FOODS**

Local foods are a growing but small component of U.S. agriculture. Although there is no consensus as to a definition of "local" or "local food systems," local foods typically refer to foods produced near their point of consumption. Production methods, types of producers, and whether foods are sold directly to consumers or to food distributors also define local foods. As interest in local food systems has increased, so has interest in understanding how local food markets affect farmers, consumers, and communities.

See <http://www.ers.usda.gov/AmberWaves/December10/Features/LocalFoods.htm>

---

## **HOUSEHOLD FOOD SECURITY IN THE UNITED STATES, 2009**

Eighty-five percent of American households were food secure throughout the entire year in 2009, meaning that they had access at all times to enough food for an active, healthy life for all household members. The remaining households (14.7 percent) were food insecure at least some time during the year, including 5.7 percent with very low food security. In households with very low food security, the food intake of one or more household members was reduced and their eating patterns were disrupted at times during the year because the household lacked money and other resources for food. Prevalence rates of food insecurity and very low food security were essentially unchanged from 14.6 percent and 5.7 percent, respectively, in 2008, and remained at the highest recorded levels since 1995, when the first national food security survey was conducted. The typical food-secure household spent 33 percent more on food than

**USDA Economists Group**

Professionals using economics in daily activities

the typical food-insecure household of the same size and household composition. Fifty-seven percent of all food-insecure households participated in one or more of the three largest Federal food and nutrition assistance programs during the month prior to the 2009 survey.

See

<http://www.ers.usda.gov/Publications/ERR108/>

## **IMPACT ON ETHANOL, CORN, AND LIVESTOCK FROM IMMINENT U.S. ETHANOL POLICY DECISIONS**

by Bruce A. Babcock

The next few weeks should bring some clarity to the future of the 45-cent-per-gallon ethanol tax credit and the 54-cent-per-gallon import tariff because both are scheduled to expire on December 31. Although the arguments in support of and against their extension have changed little since the summer, the economic situation in the corn, livestock, and ethanol industries has changed dramatically.

[http://www.card.iastate.edu/publications/show\\_policy\\_brief.aspx?id=1149](http://www.card.iastate.edu/publications/show_policy_brief.aspx?id=1149)

## **JOBS FOR AGRICULTURAL ECONOMISTS AND RELATED PROFESSIONALS**

### **Assistant Professor**

Applied Econometrics/Industrial Organization/Managerial Economics

Department of Resource Economics  
Isenberg School of Management  
University of Massachusetts Amherst

The Department of Resource Economics invites applications for a tenure-track assistant professor with an applied econometrics research focus in industrial organization and/or managerial economics. Teaching responsibilities will include graduate and undergraduate courses in quantitative methods for business and economics, industrial organization, and managerial economics. An ability to teach in both face-to-face and distance education formats to MBA students who have considerable

work experience is highly desirable. Applicants are required to have a Ph.D. in agricultural/resource/applied economics, economics, or a related field as of September 1, 2011. The Department of Resource Economics has 14 faculty and about 20 graduate students (one-third Ph.D.). We place special emphases on faculty-student interaction and cooperation among faculty. We share a fundamental commitment to teach and attract a diverse student body.

Review of applications will begin November 8, 2010. The search will continue until the position is filled. We will be conducting preliminary interviews of candidates at the ASSA meetings in January. Please send by mail or email (attach files in pdf format only for email applications) a letter of application, curriculum vitae, graduate transcript, writing samples, and arrange to have 3 letters of recommendation sent directly to:

Professor Nathalie Lavoie, Search Committee Chair

Department of Resource Economics  
212D Stockbridge Hall  
80 Campus Center Way  
University of Massachusetts  
Amherst MA 01003-9246  
(413) 545-5713, (413) 545-5853 (fax)  
[searchchair@resecon.umass.edu](mailto:searchchair@resecon.umass.edu)

### **Assistant Professor**

Applied Econometrics

University of California, Davis

(Tenure Track)/ Applied Econometrics,  
Agricultural and Environmental Economics,  
Department of Agricultural and Resource  
Economics (Position. 10 03 )

Teach and conduct research in the application of econometrics to agricultural and environmental economics. This is an academic year (9 month) position, which will carry a fiscal year (11 months) term appointment in the Agricultural Experiment Station (AES) requiring the appointee to conduct applied research and outreach of relevance to the mission of the California AES.



**USDA Economists Group**

Professionals using economics in daily activities

We seek candidates who can teach in the first-year PhD econometrics course sequence that we share with the Department of Economics, and who have an interest in applying econometric methods to analyze topics in agriculture, natural resources or the environment. The appointee will be expected to develop an outstanding, policy relevant research program in one or more of these topic areas.

All faculty who have Agricultural Experiment Station (AES) appointments are expected to conduct mission-oriented, applied research and outreach of relevance to the California AES. Teaching responsibilities include an average of 2.5 quarter-length courses in the Departmental teaching program. Teaching will include participation in the Department's core econometric courses and in resource, environmental, and agricultural economics courses at the graduate and undergraduate level. Other responsibilities include student advising and service activities. The position requires a Ph.D. in Agricultural Economics, Environmental Economics, Natural Resource Economics, Economics, or a related field.

#### Criteria for Selection:

- a) Demonstrated ability and education including a Ph.D. in agricultural economics, environmental economics, natural resource economics, economics, or a closely-related discipline, with a research interest in the in application of econometric methods to analyze topics in agriculture, natural resources or the environment.
- b) Thorough training in economic theory and econometrics.
- c) A research focus in the application of econometrics to one or more of the following areas: agricultural economics, environmental economics, natural resource economics.
- d) Demonstrated ability (or potential) to develop a distinguished research program as evidenced by publication of results in high-quality refereed journals.
- e) Ability to direct graduate students in M.S. and Ph.D. programs.
- f) Demonstrated ability (or potential) to teach at the undergraduate and graduate levels.
- g) Willingness and ability to serve as a student adviser.
- h) Capability of working with peers in the Department, on campus, and in Cooperative Extension and a willingness to contribute to the missions of the Agricultural Experiment Station.

- i) Demonstrated ability (or potential) to contribute to increasing the intellectual diversity of the Department, and to help strengthen its current areas of excellence.

Apply on-line at <http://arejobs.ucdavis.edu>.

Include a statement of qualifications outlining research and teaching interests, a curriculum vitae, publications list, official undergraduate and graduate transcripts, copies of representative publications (including manuscripts submitted or in press), a summary or abstract of the dissertation, and letters of reference from three referees. Salary is commensurate with experience. To ensure full consideration, candidates should apply by Dec 1, 2010, though submissions will be considered until the advertised position is filled.

## 2011 USDA ECONOMISTS GROUP MEMBERSHIP APPLICATION AND RENEWAL

The USDA Economists Group is a responsible independent advocate for economics in the U.S. Department of Agriculture, the Washington, DC community, the agricultural and resource economics profession, and society at large. The USDA Economists Group is not an official affiliate of the USDA.

USDA ECONOMISTS GROUP MEMBERSHIP IS OPEN, AND IS NOT RESTRICTED TO USDA EMPLOYEES

#### BENEFITS OF MEMBERSHIP:

- Stimulating, informative seminars and symposia
- Collaboration and interaction with DC area economists and policy specialists
- Monthly Newsletter - The Free Rider
- Electronic communication and information service ([usdaecon@lyris.nifa.usda.gov](mailto:usdaecon@lyris.nifa.usda.gov))
- Comments & Feedback Blog Forum (<http://myblog.usdaeconomists.org>)
- Professional recognition and annual awards
- Institutional link to AgEcon Search (<http://ageconsearch.umn.edu/handle/43092>)
- Linkages to Society of Government Economists, National Association of Business Economics, National Economists Club
- Monthly USDA Economists Group meetings



**USDA Economists Group**

Professionals using economics in daily activities

APPLY EASILY AND SECURELY ON LINE!

Click Here: [PayPal](#)

ANNUAL DUES – US \$15

MEMBERSHIP TYPE:

FULL (CURRENT USDA EMPLOYEES)

ASSOCIATE (ALL OTHERS)

If you prefer to pay by check or cash, [click](#) here for a print copy of this form

Name:

Title:

Agency/Organization:

Address:

Phone:

Fax:

E-mail:

Return this form and \$15 annual dues payable to USDA Economists Group to:

Bill Janis, Treasurer

USDA-FAS

1250 Maryland Ave., SW

Suite 400

Washington, DC 20024-1021

e-mail: [william.janis@fas.usda.gov](mailto:william.janis@fas.usda.gov)

Tel. 202-720-2194

## YOUR USDA ECONOMISTS GROUP TEAM

Steve Neff (FSA), President\*

TEL: 202-690-0855

[Steve.Neff@fas.usda.gov](mailto:Steve.Neff@fas.usda.gov)

Andrea Woolverton (ERS), Vice President – Programs\*

TEL: 202-694-5195

[Woolverton@ers.usda.gov](mailto:Woolverton@ers.usda.gov)

Mike Adjemian (ERS), Vice President – Programs\*

TEL: 202-694-5576

[Adjemian@ers.usda.gov](mailto:Adjemian@ers.usda.gov)

Barbara Wojcik-Betancourt (FAS), Vice President – Membership\*

TEL: 202-720-7571

[Barbara.Wojcik-betancourt@fas.usda.gov](mailto:Barbara.Wojcik-betancourt@fas.usda.gov)

Martin Zhu (FSIS), Vice President-

Membership\*

TEL: 301-504-3673

[Martin.Zhu@fsis.usda.gov](mailto:Martin.Zhu@fsis.usda.gov)

Heather Velthuis (FAS), Secretary\* and Newsletter Editor

TEL: 202-720-9792

[Heather.Velthuis@fas.usda.gov](mailto:Heather.Velthuis@fas.usda.gov)

Bill Janis (FAS), Treasurer and Immediate Past President\*

TEL: 202-720-2194

[William.Janis@fas.usda.gov](mailto:William.Janis@fas.usda.gov)

Skip Hyberg (FSA), At Large Director\*

TEL: 202-720-9222

[Skip.Hyberg@one.usda.gov](mailto:Skip.Hyberg@one.usda.gov)

James L. Wilkus (FSIS), Webmaster

TEL: 301-504-3376

[James.Wilkus@fsis.usda.gov](mailto:James.Wilkus@fsis.usda.gov)

Antonio McLaren (NIFA), List Server Manager

TEL: 202-720-5997

[E-mail: amclaren@nifa.usda.gov](mailto:amclaren@nifa.usda.gov)

Petra Schultze (RD), Social Director

TEL: 202-720-8832

[Petra.Schultze@wdc.usda.gov](mailto:Petra.Schultze@wdc.usda.gov)

\*Voting member

