

Fall 2007

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Graduate Economics Program

# ALUMNI Newsletter

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**Questions, comments, correspondence?** Send items of interest to the Graduate Program Office. New information is always welcome! Send email to: [Tamah.Morant@ncsu.edu](mailto:Tamah.Morant@ncsu.edu). Send postal mail to: NCSU, Graduate Economics Program, CB 8110, Raleigh, NC 27695.

## FROM THE DIRECTOR'S CHAIR

DAVID J. FLATH, DIRECTOR

The fall 2007 semester has now begun. This is always an exciting and busy time of year for the economics graduate program. This year we have 27 new economics PhD students, including seven Americans. These are joined by 28 new masters students, 12 of whom are Americans. We retain our very international composition, with 12 different nationalities represented among the new graduate students. There are more from China than ever

before, including 9 doctoral and 5 masters students. The second most numerous foreign nationality is Turkey, with 3 doctoral and 6 masters students. We are all greatly enriched and stimulated by this influx of young talent from around the globe.

I again also applaud the efforts and accomplishments of our many alumni, so vital to our continued success. Your generous support has

contributed significantly to the stipends we have been able to confer on promising new PhD students. Even more vital than the monetary gifts are the help we receive from all of you in identifying prospective applicants and encouraging them to apply. To all who have assisted the economic graduate program, many thanks, and may your own successful careers continue to serve as beacons for others who come after you.

## DEPARTMENTAL NEWS

DEPARTMENT OF AGRICULTURAL AND RESOURCE ECONOMICS

JON A. BRANDT, HEAD

I am pleased to report that the department had a good year in terms of recruiting new faculty and in the accomplishments of faculty and students. Joining us this fall are **Dr. Laura Taylor**, Professor and Director of the Center for Environmental and Resource Economic Policy (CEnREP), and **Dr. Rod Rejesus**, Assistant Professor. Laura's responsibilities include teaching and research in the resource and environmental economics area. She is a 1995 graduate of our Ph.D. program and comes to us from the faculty of Georgia State University. Dr. Rejesus' responsibilities are extension

and research in the areas of markets, risk management, crop insurance, and other related topics. Rod (Ph.D. University of Illinois (2001) joins us from the faculty of Texas Tech University. We welcome these new faculty to the department and program. Both look forward to working with graduate students and their research programs.

This past year saw **Barry Goodwin** recognized as an American Agricultural Economics Association (AAEA) Fellow (2006). At the AAEA meetings this summer (2007) in Portland, Oregon, Barry (and

Ph.D. graduate of our program, Ashok Mishra) was recognized by the association with the Outstanding Journal Article of the *American Journal of Agricultural Economics*. This summer, the Dean of the College of Agriculture and Life Sciences appointed **Dr. Walter Thurman** as a William Neal Reynolds Distinguished Professor. Wally joins three other ARE faculty (Barry Goodwin, Mike Walden, and Mike Wohlgenant) as WNR Professors.

Also at the AAEA meetings in Portland, a graduate of the PhD program, Dr. Nick Kuminoff

– now an Assistant Professor at Virginia Tech, received “honorable mention” recognition for his research and writing in the Outstanding Ph.D. Dissertation award category. The department was pleased that several faculty (**Ed Estes, Dan Phaneuf, Michele Marra, Nick Piggott, Barry Goodwin,**

**Wally Thurman, Geoff Benson, Jon Brandt, Mitch Renkow, and Mike Wohlgenant**) and graduate students (Kerri Perez, Mykel Taylor, Allen Klaiber, Anton Bekkerman, Eric Belasco, Ligia Vado, and Berna Karoli) participated in the summer AAEA meetings with papers,

posters, and symposia. AAEA meetings with papers, posters, and symposia.

**Arnie Oltmans and Guido van der Hoeven** participated in International Farm Ireland in July. Management meetings in Ireland in July.

## DEPARTMENT OF ECONOMICS

The past academic year has been an active one for the Economics Department. We were fortunate to lure **Mehmet Caner** from the University of Pittsburgh. Mehmet joins us as a tenured associate professor. His major area is econometrics. **Bobby Puryear** is the new undergraduate program director. Bobby is a teaching assistant professor and will both teach and run the undergraduate program. Both **David Ball** and **Duncan Holthausen** are completing their last year of service at NCSU. David has been in the department since 1966. In recent years he has focused on undergraduate teaching, particularly the senior seminar. Duncan joined the department in 1976. He has continued to do research in microeconomics and teach a variety of courses. Duncan demonstrates that there is life after being a department head.

Department faculty continue to present their research around the country and the world. **Bob Clark** spent two weeks in July as a visiting researcher at the Nihon University Population Research Institute in Tokyo. **Lee Craig** gave invited papers on the economics of slavery at a conference on Economic Forces in American History at Williamsburg, Virginia and on the Great Depression at the meetings of the Foundation for Teaching Economics at Las Vegas. **David Flath** presented papers on aspects of the Japanese economy at Harvard, at the Graduate Research Institute of Professional Studies

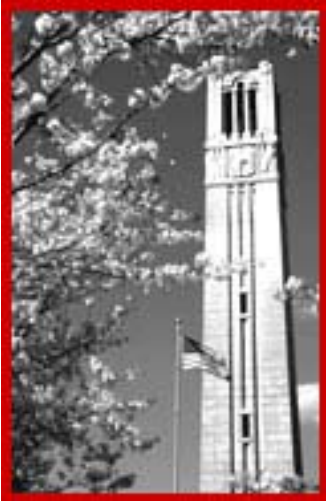
in Tokyo, and at the International Industrial Organization Conference in Savannah. **Pablo Guerron** gave papers on foreign exchange intervention at the Triangle Econometrics Annual meetings and at the Latin American and Caribbean Economic Association in Mexico City. He also presented research on labor markets and the business cycle at the Latin American meetings of the Econometric Society in Mexico City and work on money demand at the North American Summer Meetings of the Econometric Society at Duke. **Asli Leblebicioglu** gave a paper on the effects of currency denomination on exports at the European meetings of the Econometric Society in Budapest. **Steve Margolis** was a featured commentator at the Annual Congress of the Society for Economic Research on Copyright Issues (SERCI) that met in Berlin. Steve serves as first vice president of SERCI. **Ray Palmquist** gave an invited paper on hedonic valuation of property to the U.S. EPA in Washington. **Doug Pearce** presented work on the forecasting of business economists at the Western Economic Association meetings in Seattle. **Denis Pelletier** gave a paper on evaluating portfolio risks of banks at the meetings of the Society for Computational Economics in Geneva. He also presented his research on non-nested testing at the University of Montreal and the Triangle Econometrics Annual meeting. **John Seater** presented his work

## DOUGLAS K. PEARCE, HEAD

on the macroeconomic effects of regulation at UNC-CH and Duke and gave a paper on technical change at the Federal Reserve Bank of Cleveland, the American Economic Association Meetings in Chicago, the Society for the Advancement of Economic Theory in Kos, Greece, and the Society for Economic Dynamics in Prague. John also made presentations at Bilkent University and Middle East Technical University in Turkey and met with several NCSU alumni. **Fanis Tsoulouhas** presented new work on tournaments at the Social Science Research Center in Berlin and at the Society for the Advancement of Economic Theory in Kos, Greece.

**Fanis** and **Chuck Knoeber** are organizing a conference on tournaments at NCSU to be held at NCSU in March 2008, with Edward Lazear as the keynote speaker. We will send out e-mail announcements when the arrangements are made final.

I end with a request to consider giving some financial support to the department. Outside funds allow us to bring visiting scholars for workshops, to make awards to outstanding undergraduates, and to supplement the support for graduate students. If you would like to make a contribution, please send a check, made out to the economics department, to Carolyn Smith, Department of Economics, NC State University, Raleigh, NC 27695-8110.



## STUDENT NEWS

### INCOMING STUDENTS

Listed below are the names of our first year students with the school of most recent degree. We welcome these new students into our fold and look forward to their contributions to the department. We would like to offer congratulations to our incoming students who have been awarded fellowships.

#### FELLOWS

##### USDA Fellows

Kevin Furlong.....NCSU  
Owen Wagner.....Virginia Tech

##### Andrews Fellow

Han Xu.....Renmin U

##### Alumni Fellows

Xuan Chen.....Peking U  
Qingliang Fan.....San Diego State U  
Han Xu.....Renmin U  
Qingxin He.....Shandong Economic U  
Aileen Lapitan.....U of Philippines  
Haoshu Li.....Nankai U  
Luyuan Niu.... Dongbei U of Finance & Economics  
Nam Anh Tran.....Purdue U

##### Provost's Fellows

Aileen Lapitan.....U of Philippines  
Nam Anh Tran.....Purdue U

#### PHD STUDENTS

Majid Al-Saggaf.....King Abdul Aziz U  
Mehmet Celbis.....U of South Carolina  
Xiaomei Chen.....East China U  
Xuan Chen.....Peking U  
Tsun-Feng Chiang.....National Chengchi U  
Qingliang Fan.....San Diego State U  
Kevin Furlong.....NCSU  
Mary Gruebna.....Marquette U  
Ahmed Gurbuz.....Faith U  
Han Xu.....Renmin U  
Qingxin He.....Shandong Economic U  
Sanghyun Kim.....Konkuk U  
Sofia Kotsiri.....U of Patras

Aileen Lapitan.....U of Philippines  
Geoffrey Lawrence.....American U  
Jonathan Lee.....UNC-Charlotte  
Haoshu Li.....Nankai U  
Nyangee Lugoe.....U of Dar Es Salaam  
Luyuan Niu Dongbei. U of Finance and Economics  
Mehmet Okumus.....Fatih U  
Santi Sanglestsawai.....Kasetsart U  
James Tessier.....SUNY-Birmingham  
Nam Anh Tran.....Purdue U  
Owen Wagner.....Virginia Tech  
Congnan Zhan.....NCSU  
Yue Zhang.....Shenzhen U  
Boris Zhukov.....Goucher College

#### MASTERS STUDENTS

Fatih Altunok.....Middle East Technical U  
Michael Bradshaw.....NCSU  
Omer Cakir.....Dokuz Eylul  
Omer Cihan.. High Point U  
Justin Coates.....High Point U  
Gregory Coleman.....Ohio Wesleyan U  
Bradley Diggs.....Murray State U  
Levent Eren.....U of Istanbul  
Brian Ford.....U of South Carolina-Charleston  
Nicholas Georgiade.....Rhodes College  
Xin Hong.....Peking U  
Hitomi Kamiyama.....U of Oklahoma  
Richa Kapoor.....U of Dehli  
Levent Karadayi.....Dokuz Eylul U  
Teddy Lahoud.....NCSU  
Van Nguyen.....Wake Forest U  
Ismail Oguz.....Middle East Technical U  
Andrew Orr.....Messiah College  
Suleyman Oz.....Bilkent U  
Pooja Parthasarathy.....Stella Maris College  
Chad Perry.....LeMoyn College  
Mehtab Randhawa..Shri Ram College of Commerce  
Alexey Rogozhin.....Oklahoma State U  
Malavika Shah.....St. Xavier's College  
Wesley Smith.....NCSU  
Nathaniel Snow.....NCSU  
Xingyi Su.....Shanghai Sanda U  
Sheng-Jhieh Wu.....Ming Chuan U

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*"This year we have 27 new economics PhD students...These are joined by 28 new masters students. We retain our very international composition, with 12 different nationalities represented among the new graduate students."*

*-David Flath, Graduate Program Director*

### College of Management announces naming of the Jenkins Graduate School of Management

On September 21, 2007, North Carolina State University announced the naming of the Jenkins Graduate School of Management in the NC State College of Management, in honor of Benjamin (Ben) P. Jenkins, III, vice-chairman and president of the General Bank at Wachovia Corporation. The new Jenkins Graduate School includes the Master of Accounting (MAC) and Master of Business Administration (MBA) programs, and the Graduate Economics Program, which is offered jointly by the College of Management and the College of Agriculture and Life Sciences. Additional information at [http://mgt.ncsu.edu/news/2007/event\\_Jenkins\\_naming.php](http://mgt.ncsu.edu/news/2007/event_Jenkins_naming.php).



*Dr. Xiaoyong Zheng joined the ARE faculty and Economics Graduate Faculty in 2005"*

## New Faculty Spotlight: Xiaoyong Zheng

Xiaoyong Zheng is an industrial organization economist and applied micro-econometrician whose work includes designing optimal auction mechanisms used by government agencies for timber sales and contracting highway mowing jobs; analyzing livestock grower response to different production contracts and optimal design of such contracts; and estimating and identifying the source of market power in the live hog spot market. In the piece below Xiaoyong discusses forecasting the economic impacts of regulating alternative marketing arrangements in the hog industry, a topic that has recently garnered much attention.

The transactions between producers and packers in the swine industry occur in cash on spot markets or through different types of alternative marketing arrangements, which include procurement or marketing contracts, production contracts

custom feeding, etc. The benefits of contracting include risk sharing, technological progress and innovation dissemination response to consumer demand for product reputation and uniform quality, and access to capital. Despite the benefits associated with alternative marketing arrangements, the pressure on both federal and states legislatures to regulate them is mounting. They are pushed by independent farmers (mainly in the cattle industry but more recently in the hog industry as well) to, more or less, ban production contracts or any other type of captive supplies outright. The concerns about the effects of captive supplies on cattle prices culminated in a legislation proposed as part of the 2002 Farm Bill (subsequently omitted) to ban most packer ownership of cattle.

In a recent study, Tom Vukina and I examine the effect of eliminating the availability of

production contracts in North Carolina. We found that the welfare gain of a cash/marketing contracts farmer outside North Carolina amounts to \$44,185 per year and that of a cash/marketing contracts farmer in North Carolina amounts to \$7,088. The difference comes from the fact that most of the cash farmers outside North Carolina operate on a larger production scale than their North Carolina counterparts. On the other hand contract production farmers suffer welfare losses. For example, an average North Carolina contract farmer's welfare loss amounts to \$80,892 per year. Finally, the aggregate welfare for all farmers in the U.S. resulting from banning production contracts in North Carolina is \$3.28 billion. Hence we can conclude that the proposed regulation would improve the welfare of farmers as a group but some farmers would win while some would lose.

*"I am particularly interested in guiding additional research toward a focus on two questions," Headen said. "First, how much progress has been made in reducing the persistent racial and ethnic disparities in health, and second what, if any, factors have contributed most to changes in health disparity?"*

*-Al Headen, Associate Professor of Economics, NCSU*

## Al Headen brings economist's perspective to health care dialogue

Racial and ethnic disparities in health care have persisted in the United States, even in the face of economic growth, says **Alvin E. Headen, Jr.**, associate professor economics at North Carolina State University's College of Management.

"Why do they persist, even with rises in income? What social and economic factors are contributing to this?" he asks. Such questions have helped to guide his research as an economist for more than two decades.

Most recently, Headen explored the topic with seven fellow researchers at a January 2007 session that he organized in

conjunction with the National Economic Association meeting in Chicago. The title of their session was "Eliminating Racial and Ethnic Health Disparities: Twenty Years after the Initiative."

In the coming years, Headen will be part of two national health care discussions. He was recently appointed to the National Advisory Council on Minority Health and Health Disparities (NACMHD), a part of the National Institutes of Health.

He also is participating in 'Cost-over-Care Health Delivery,' a project that is promoting a national dialogue on the need

for an outcome-focused, patient-value approach to health delivery. "My concern is that most of the cost containment in government programs is borne disproportionately on the most vulnerable population groups – the elderly and minorities, those receiving Medicaid and Medicare," he said.

"The current policy that focuses primarily on the cost of care is out of balance," he said. "We should be focusing on the value of medical care. If you ran a business and only cared about cutting costs, eventually you will lose business because of lower quality," he said.



## Recent economics grad to spend a year in Northern Uganda

### John Simpson will be writing a blog about the experience

by anna rzewnicki

John Simpson (ME, '07) has taken a unique route to the start of his career.

He is spending his first year out of college in service to the Anglican Diocese of Northern Uganda, a region which had been torn by decades-long civil war.

"There is peace now in Northern Uganda," Simpson wrote in a note to friends prior to his departure. Those living "in the 'internally-displaced people' (IDP) camps surrounding the city of Gulu - now considered home to many - are being encouraged to return to their farms and villages, adopt sustainable and profitable methods of farming, and participate in reconciliation ..."

Simpson left for Gulu on September 9. He writes that his "short list of things I could be

doing" includes coordinating diocesan youth ministry, counseling, and working with laity and clergy ministering to children.

"I'll spend nights at home in Gulu, in the camps, and in the villages, where the people of Northern Uganda will be rebuilding lives and livelihoods. And I will diligently post pictures and stories and updates on my [website](#)."

He said that he welcomes others to join in his experience by joining his list-serve. To do so, send a blank email to [him](#), for monthly updates and links to content on the webpage. Or, just check his [webpage](#).

In a note on Sept. 19, he said that he has been 'in country' for about a week, and was sorting through the technology so that he could begin updating his

website.

In his short time there, he writes that he has already seen "a great need here for students of the NC State mold to serve, in agriculture, business, teaching entrepreneurship, ag economic development. A small group of educated people working with the Acholi people of northern Uganda could have an immediate and substantial impact on the lives of people here, since 90 percent of the farmers are in the process of moving from IDP camps back to their farms."

When notified that a link to his site was being added to the college's list of 'college community bloggers,' he wrote: "Thanks for your interest! You don't know how it encourages me to have interest and support from back home!"

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*"I'll spend nights at home in Gulu, in the camps, and in the villages, where the people of Northern Uganda will be rebuilding lives and livelihoods."*

*-John Simpson, ME, 2007*

## STUDENT NEWS (CONTINUED)

### RECENT PLACEMENTS

**Dr. Carlos Carpio**, *Clemson University*  
**Dr. Tullya Boonsaeng**, *Georgia State University*  
**Dr. Chen Zhen**, *RTI*  
**Dr. Chai-Mei Liu**, *SAS*  
**Dr. Nicolai Kuminoff**, *Virginia Tech*  
**Dr. Jaren Pope**, *Virginia Tech*  
**Dr. Julianne Treme**, *Wake Forest University*  
**Dr. Sreedevi Gummuluri**, *Bank of America*

Sanchi Gupta, University of Miami  
 Jeffrey Honeycutt, Federal Regulatory Commission  
 Jittakorn Panrattanasin, Ayudhya Securities, Thailand  
 Tracy Sanders, Bank of America  
 Jacobus DeWit, Tem Tec  
 Jae-Phill Hong, Financial Supervisory Service, S. Korea  
 Cherno Omar Kebbeh, Dept. of Health & Human Services  
 Rasi Napitupulu, Polanski Research Inst., Indonesia  
 Michael Neel, accounting doctoral program  
 Brent Rowe, RTI  
 Clinton Ward, BB&T  
 Haley Wynn, Cutting Edge Information  
 Sungur Zarpli, EFG Capital Int'l

### CURRENT JOB MARKET CANDIDATES (with live links to cv's)

[Eric Belasco](#) applied microeconomics, risk analysis, international trade, econometrics, agricultural economics, policy analysis

[Osman Gulseven](#) applied microeconomics, applied econometrics, retail demand models, quantitative modeling and statistical analysis.

[Rotua Lumbantobing](#) development economics, applied microeconomics, poverty alleviation, policy analysis

[Kshama Sawant](#) economics of aging, economics of development, health in developing countries, household economics

[Joo Kyung Sung](#) environmental and resources economics, applied microeconomics, applied econometrics

[Julianne Treme](#) economic history, applied microeconomics, health production

[Yanru Yu](#) econometrics, quantitative analytics  
 Dissertation: Comparing Multivariate GARCH models with Realized Volatility

[Ying Zhu](#) econometrics, statistical and modeling analysis

[Larry Locklear](#) community & economics development, econometric analysis, health economics

## ECONOMICS GRADUATE PROGRAM

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### PHD GRADUATES

**Dr. Carlos Carpio**, *Two-Constraints Models of Consumer Demand: An Application to the Demand for Agritourism in the United States*, under the direction of Michael Wohlgenant

**Dr. Tullya Boonsaeng**, *Three Essays on the Demand of Imported Domestic Meat and Livestock in the United State*, under the direction of Michael Wohlgenant

**Dr. Chen Zhen**, *Food Safety, Habits, and Rational Expectations in US Meat Demand*, under the direction of Michael Wohlgenant

**Dr. Chai-Mei Liu**, *Entry Behavior and Financial Distress: An Empirical Analysis of the US Domestic Airline Industry*, under the direction of Craig Newmark

**Dr. Nicolai Kuminoff**, *Recovering Preferences for Public Goods from a Dual-Market Locational Equilibrium*, under the direction of Kerry Smith

**Dr. Jaren Pope**, *Limited Attention, Asymmetric Information and Hedonic Model*, under the direction of Kerry Smith

**Dr. Julianne Treme**, *Stature, Nutrition, Health and Economic Growth*, under the direction of Lee Craig

**Dr. Sreedevi Gummuluri**, *Drug Research and Development Incentives Under a Changing Exclusivity Environment: An Event Study Approach*, under the direction of Stephen Margolis

### MASTERS GRADUATES

Kristina Batchelor  
Jenny Coston  
Manil Fares  
Sanchi Gupta  
Jeffrey Honeycutt  
Jittakorn Panrattanasin  
Marcus Potter  
Sandra Ramos  
Katrina Rudi  
Tracy Sanders  
Timothy Shear

Lu Wang  
Anton Bekkerman  
Adam Domanski  
Shay Fatal  
Aycan Koksal  
Gulcan Onel  
Brent Rowe  
JaePhill Hong  
Jacobus DeWit  
Mengyuan Kang  
Omar Kebbeh

Sung Hwan Lee  
Berin Linfors  
Rasi Napitupulu  
Michael Neel  
Eunseok Seo  
John Simpson IV  
Clinton Ward  
Stephen Wohlers  
Haley Wynn  
Sungur Zarpli

### ALUMNI NEWS

**David L. Kendall (PhD '81)** was appointed chair of the Department of Business and Economics at the University of Virginia's College at Wise in July, 2006. He was also granted tenure by the Board of Visitors of the University of Virginia as of September 2006.

Send your alumni news to us at [ecg@ncsu.edu](mailto:ecg@ncsu.edu)!

### KEEP IN TOUCH!

Please do not hesitate to send updates or new information to our offices to include in the next issue of our newsletter.

We encourage and greatly

appreciate any and all financial contributions. Your support allows us to provide more competitive awards for our students, invite engaging speakers for presentations and

increase recruiting and placement efforts for our graduate program. Contributions to the graduate program can be submitted to the address above.