

August 2015 Volume 37, Issue 17

# Exchange

### **AAEA News**

## AAEA Post-Conference Workshop Applying Behavioral and Experimental Economics to Food and AgriEnvironmental Issues

Co-Organized by Carola Grebitus (ASU) and Christiane Schroeter (Cal Poly-San Luis Obispo), AAEA Food Safety and Nutrition Section (FSN)

We would like to provide a quick overview of our AAEA Post-conference Workshop on Behavioral and Experimental Economics, which took place July 29th at the San Francisco Marriott Marquis. This Post-conference Workshop was organized by Carola Grebitus (FSN Member-at-Large) and Christiane Schroeter (FSN Chair). Brenna Ellison (FSN Member-at-Large); Jayson Lusk (AAEA President-Elect); Bidisha Mandal; and Kent Messer served as the organizing committee. Our workshop sold out, with 105 attendees and a waitlist.

The workshop outlined behavioral economic theoretical contributions, empirical and experimental tools and results that may help to explain the impact of economic behavior on food choice and participation in agrienvironmental programs. The primary purpose of the workshop was to contribute to the attendees' understanding of the theory, research methods, and tools for using behavioral and experimental economics to analyze individual decision–making.



The program included five talks by speakers from the field of applied behavioral and experimental economics as it relates to food and agri-environmental issues. Two keynotes were provided by David Just from Cornell University on "Behavioral Nudges and Policy: Why Choice Matters and Why it Doesn't," and Paul Ferraro from Johns Hopkins University on "Applying Behavioral Economics to Improve Environmental Policy: Knowns and Unknowns." In addition, three invited speakers presented their research. Collin Payne from New Mexico State University presented research on "Behavioral Economic Nutrition Interventions in the Grocery Store: Retail, Consumer, and Economic Sustainability;" Michele Belot from the University of Edinburgh, Scotland provided insights into "Habitual Behavior in the Context of Diet," and Andrew Hanks from The Ohio State University discussed "Are You Going to Eat That? Key Insights from Behavioral Economics into Food Selection and Intake Decisions."

During the lunch break, a "Mini-Mentoring-Meeting" session took place. The AAEA Trust sponsored this session. Graduate students and young professionals gathered in small groups together with experienced researchers and

discussed their own experimental designs. Before the workshop, the participants of this session provided their mentors with abstracts to get feedback. The format of this session was a guided discussion. The senior researchers serving as mentors were Michele Belot (University of Edinburgh, Scotland); Gregory Colson (University of Georgia); Paul Ferraro (Johns Hopkins University); Andrew Hanks (The Ohio State University); Lisa House (University of Florida); Wuyang Hu (University of Kentucky); Kristin Kiesel (California State University, Sacramento); Bidisha Mandal (Washington State University); Brandon McFadden (University of Florida); Kent Messer (University of Delaware); Collin Payne (New Mexico State University); Adam Rabinowitz (University of Connecticut): Trenton G. Smith (University of Otago, New Zealand); and Jordan Suter (Colorado State University). A total of 32 students participated in the Mini-Mentoring Meeting. The mentoring groups covered: Beliefs of farmers, Landowner perception, risk -- psychological variables, Consumer and Health, Field experiments (lab experiments); Games, taxes, trading, cooperative behavior; Development economics, Ag development; Environment and Ecosystems; Food attributes and Willingness-to-pay; Choice experiments and Sensory; Incentivizing healthy behaviors; Production agriculture decisions; and Social learning, Social networks, Peer influences.

We closed the workshop with a panel discussion. Kent Messer from the University of Delaware joined our workshop speakers as panel members. The panel discussion provided a forum for attendees to ask questions and discuss matters of the workshop in a more elaborated way.

In addition to the generous funding by the AAEA Trust, and the AAEA Food Safety & Nutrition, we received substantial funding from the USDA-Economic Research Service (ERS), the Center for Behavioral & Experimental Agri-Environmental Research (CBEAR), and the Cornell Center for Behavioral Economics in Child Nutrition Programs (BEN Center). Non-monetary support was also received from the AAEA Graduate Student Section and the AAEA Institutional & Behavioral Economics Section. Thanks to all of our sponsors for a successful workshop!



### Crop Insurance and the 2014 Farm Bill: Reports and Analyses from the Field

October 5-7, 2015 · Louisville, KY · Marriott Louisville Downtown

**Register Now!** 

### **Call for Proposals:**

### 2016 AAEA Organized Symposium at the AARES Annual Conference

The AAEA is accepting submissions for the AAEA Organized Symposium at the Annual Conference of the Australian Agricultural and Resource Economics Society (AARES) in Canberra, Australia, February 2–5, 2016.

The Organized Symposium will be allocated a 1.5 hour session during the AARES general program. Organizers should submit a proposal for a complete session that will take up the full time period. The format of the session may involve panel discussions of prepared questions, debates, roundtable meetings, paper presentations, or other formats. Whichever format is proposed, the organizer should ensure the presentations fit into a tightly coherent theme and there is plenty of time for discussion.

#### Submission Deadline

Submissions for the organized symposium should be sent to Brian Mondragón Jones (<a href="mailto:bmjones@aaea.org">bmjones@aaea.org</a>) by August 31, 2015.

#### **Submission Format**

Submissions (in PDF format) should include the following:

- Symposium title
- · Abstract of 250 words or less
- Organizer name and contact information
- Participant names and affiliations

### Membership and Registration Requirements

All presenters/speakers/discussants must be <u>members of AAEA</u>. A membership waiver request can be included in the proposal in the case of extenuating circumstances. In addition, participants need to register for the 2016 AARES Annual Meeting. AAEA cannot grant registration waivers for the meeting. It is the responsibility of the organizer to ensure all participants are willing to participate and meet the presentation requirements.

Submissions will be reviewed by the President of AAEA, and the organizer of the selected symposium will be notified by the AAEA Business Office by September 15, 2015.

### **Call for Applications:**

### 2016 AAEA/AARES Heading South Award

The Australian Agricultural and Resource Economics Society (AARES) and the Agricultural & Applied Economics Association (AAEA) through the AAEA Trust will jointly offer this travel award to attend the 2016 AARES Conference in Canberra, Australia. It is available to members of AARES or AAEA that currently reside in North
America. Applicants for the award
can be a member of either AARES
or AAEA, but must be a member

of AARES to participate in the conference.

The objective of the award is to provide the winner with an opportunity for professional and personal development and international professional and cultural exchange. The award will have a value of \$3,000 USD to be used to assist the winner's participation in the 2016 AARES Annual Conference, held in Canberra, Australia, from February 2–5, 2016.

#### **Selection Process**

The 2016 Heading South Selection Committee will be chaired by AAEA President, Jill McCluskey. Other members will include the President-Elect of AARES, Dr. Wendy Umberger, Dr. Joanna MacEwan, President of the AARES North America Branch, and another member of AAEA.

Applications should include:

- a paper for presentation at the AARES Annual Conference in Canberra, for which the applicant is the sole or first author and which represents their original and unpublished work
- a one-page biographical statement
- a one-page statement in support of their application, indicating what they would

hope to accomplish through the award, why they would be deserving of the award, and confirming they would be unable to attend the conference without this financial support

**Submission Deadlines and Details** 

Electronic submissions (in PDF form) for this award must be emailed to Brian Mondragón Jones (bmjones@aaea.org) by Friday, August 31, 2015 (for travel in February 2016).





### **Call for Papers:**

5th African Association of Agricultural Economists (AAAE) Conference, Addis Ababa "Transforming smallholder agriculture in Africa: The role of policy and governance."

aaae-africa.org

### Obituary

#### **Lonnie Lee Jones**



Lonnie Lee Jones, 75, of Bryan, Texas, died August 2, 2015. Lonnie was born on April 29, 1940 to Stiles and Janet (Peek) Jones in Annona, Texas. He graduated from Stephen F. Austin State College with a BS

degree in 1961. He received his MS degree at Louisiana State University. Then after he received his PhD from The Ohio State University in 1967, he was appointed to the faculty of the Department of Agricultural Economics at Texas A&M University where he taught and provided research and extension education for 38 years.

Lonnie specialized in resource economics, conducting research to estimate the economic impacts of tax, environmental, and other public policies. Rural communities were the particular focus of his work examining the economic impacts of changing farm structure, national farm and macroeconomic policies, retiree immigration, recreational activities, and a proposed spaceport in Pecos County, Texas.

During the mid-1980s, Lonnie chaired the State Tax Assessment Practices Board Review Panel in Austin. Under his leadership, the procedures were developed for assessing the value of agricultural land for property tax purposes based on productivity values.

Lonnie led the development of an innovative regionally-recognized Master's degree in agribusiness management in Guatemala beginning in 1995. He served as director of

this program conducted in cooperation with the Universidad del Valle de Guatemala and the Universidad Francisco Marroquin, Guatemala. The program now has more than 200 graduates and has become the Executive Masters in Applied Economics and Business Administration.

Lonnie presented lectures on Agribusiness
Management and Regional Economic
Development in the Russian cities of Moscow,
St. Petersburg, and Kazan from 1993 to 1995.
This was part of a project focused on economic
education and transformation of agribusiness
funded by US Freedom Support Act.

Over his career, Lonnie taught graduate and undergraduate students in the areas of quantitative methods, economic development, land resource economics, and input-output analysis, and supervised 20 PhD dissertations and MS theses. He served on the editorial council of the *Southern Journal of Agricultural Economics* and as a member of the Resident Instruction Committee and faculty advisor to the Student Section of the Agricultural & Applied Economics Association.

His retirement in 2005 allowed more time for ranching, chatting with friends, as well as teaching once a year in Guatemala, and enjoying life with his wife and their family. Memorial contributions may be sent to Reliance Baptist Church building fund, Hospice Brazos Valley, or the American Cancer Society. Please share memories and tributes to Lonnie at www.hillierfuneral-home.com.

### **Budget and Appropriations**

### U.S. Department of Agriculture (USDA) FY 2016 Appropriations

In the second issue of the July AAEA Exchange, the Government Relations Update mentioned that both the House and Senate Appropriations Committees approved their respective fiscal 2016 spending bills for Agriculture, Rural Development, Food and Drug Administration, and related agencies. Since we are so late in the budget cycle, the Council does not expect either bill to see floor action, but the approved levels give negotiators a starting point for the omnibus discussion.

One major factor forcing differences in the two bills is the allocation level provided to appropriators. For example, the Senate draft bill would provide \$20.5 billion in discretionary funds. The House Appropriations approved the agriculture bill, which provides \$20.65 billion in discretionary funding. However, the House bill also includes \$250 million for the Commodity Futures Trading Commission. The Senate spending bill does not include a CFTC appropriation level because the Senate Appropriations Subcommittee on Financial Services has jurisdiction over that issue. However, for some programs, this meant the difference between garnering support from the subcommittee at the 2014 or 2015 appropriations levels. Few programs received increases in the subcommittee bills.

While the Chairman of the House Agricultural Appropriations Subcommittee, Robert Aderholt of Alabama and Samuel Farr of California, have worked together for some time on the subcommittee, Senate Agriculture Appropriations Chairman Jerry Moran, R-Kan., and ranking member Jeff Merkley, D-Ore., are new to their roles as the subcommittee leaders. In both chambers, members of congress report a high level of bipartisan cooperation to achieve goals on agricultural issues.

Please see the <u>AAEA Exchange July 2015 Issue 15</u> for more information on USDA committee-approved FY16 appropriations levels.

### National Science Foundation (NSF) FY 2016 Appropriations (re: Commerce, Justice, and Science Appropriations)

Representative John Culberson (R-TX) has undertaken a campaign to limit the funding going to the social, behavioral, and economic science (SBE) and geoscience directorates. In May, he told AAAS ScienceInsider that he wants "to make the hard sciences a priority—the math and physics and pure science. The fundamental mission of NSF should be those core sciences." Report language in the current House-passed appropriations bill states that four directorates—biology, engineering, computer science, and math and physical sciences—

would receive 70% rather than 65% of the Research and Related Activities account (R&R). In addition, the bill's report language shelters specific accounts that exist outside of the Directorate structure, freezing the budgets of those programs at 2015 levels, leaving SBE and GEO with only \$1.32 billion between them in 2016, a reduction of 16.2% according to AAAS reporter Jeffrey Mervis. Fortunately, the Senate version, approved out of committee on June 10, does not contain this language.

### NSF 2015 Scientific Research in the National Interest Act (Science Authorization Bill)

On July 29, 2015, Science, Space, and Technology Committee Chairman Lamar Smith (R-Texas) introduced the Scientific Research in the National Interest Act. The bipartisan legislation aims at requiring that each National Science Foundation announcement of a *grant award* be accompanied by a non-technical explanation of the project's scientific merits and how it serves the national interest. Several organizations have written letters or articles that express concern about the legislation. See related content from COSSA and Inside Higher Ed.

### U.S. Department of Labor's Bureau of Labor Statistics (BLS) FY 2016 Appropriation

On June 25, 2015, the Senate Appropriations Committee passed S.1695 - S. Rept. 114-74, the FY 16 appropriations bill for the Departments of Labor, Health and Human Services, and Education and related agencies. Budget reductions imposed in the bill threaten to limit Bureau of Labor Statistics (BLS) funding to the point where it will be required to eliminate data programs. In response to the passage of this bill, the President's Office of Management and Budget (OMB) sent a letter to the Chairman of the Senate Appropriations Committee, Thad Cochran of Mississippi, stating that, under its appropriation bill, "BLS would have difficulty continuing to operate its core programs and would need to permanently eliminate surveys as a result." The surveys most

likely to be at risk of elimination are the National Longitudinal Survey of Youth (NLSY), the American Time Use Survey (ATUS), the Job Openings and Labor Turnover Survey (JOLTS), and the International Price program (specifically, the survey of export prices). The BLS Employment Projections, the Employee Benefits programs, and the resumption of the Contingent Worker Survey (CWS) may also be at risk. The American Economic Association is going to undertake some educational programming about the importance of these data resources. Please contact info@cfare.org if you'd like to partake in these activities or have narratives to share about the importance of these statistical resources. See the Washington Post article on the topic here.

#### **Government Relations Initiatives**

### Comments on the Foundation for Food and Agricultural Research Draft Priorities

In accordance with the 2014 Farm Bill, the Foundation for Food and Agricultural Research (FFAR) was established and 15 directors appointed to its board in July of 2014. Here is biographical information on the FFAR Board of Directors. The Foundation's charge is to leverage public and private resources to increase the scientific and technological research, innovation, and partnerships that are critical to boosting America's agricultural economy. The Foundation operates as a non-profit corporation seeking and accepting private donations to fund research activities that focus on problems of national and international significance. Congress has provided \$200 million for the Foundation, which must be matched by non-federal funds as the Foundation identifies and approves projects. At the advice of Dr. Mark Keenum, the Foundation has shared an initial list of research priorities with the Council on Food, Agricultural and Resource Economics (C-FARE). C-FARE is now working with the AAEA Government Relations Committee and its Board of Directors to identify gaps where the agricultural and applied

economics profession would be able to inform the challenges that lie ahead for the agricultural, food, and resource sectors. Please let us know of any ideas you might have for research focus areas that are particularly suited for public-private partnership funding. Email C-FARE Executive Director, Caron Gala at <a href="mailto:cqala@cfare.org">cqala@cfare.org</a>.

### Agricultural and Applied Economics Priorities and Solutions Project

The AAEA Government Relations Committee will nominate an expert from the profession to serve as a liaison and leader on the Council on Food, Agricultural and Resource Economics' Agricultural and Applied Economics 2025 Priorities and Solutions project. The objective of the project is to identify future agricultural policy, agricultural market and risk, environmental quality, rural community development, and agri-business management research opportunities, resource, and workforce training needs via a priority planning project. The project will permit the agricultural and applied economics discipline to develop a strategic research and engagement vision to

address societal challenges. The project will elevate public awareness and appreciation of the analytical power and research capacity of the profession and provide a rationale for related public and private support. It will provide a vision for the next generation of research and education investments in the agricultural and applied economics profession and for the agricultural research sector at large. As part of its involvement, the AAEA Government Relations Committee will be advising C-FARE on how to best engage the AAEA Sections to be a part of this project. Stay tuned; we will be in touch as the project progresses!

### Big Ag. Data Steering Committee to Identify Issues and Opportunities

In the 21st century, the agricultural and food sector face many seemingly daunting challenges. These include 1) feeding an expanding world population through productivity gains or increased food accessibility; 2) efficiently allocating scarce water resources; 3) expanding ecosystem services and limiting agri-environmental impacts; and 4) maximizing food quality and safety. Meanwhile, over the past several decades, geographic and database technologies have accelerated the rate of and capacity for collecting spatial information about the health of agronomic and specialty crops, ecosystems, supply chains, and even consumer groups. In particular, the assembly of vast databases that contain granular and near real-time data on climate, weather, and land-based systems that support food, feed, fiber, and bio-based fuel production is unprecedented. The experts within the agricultural and applied economics profession are exceptionally well suited to work with these large datasets to elucidate the implications of "big data" for the U.S. economy.

This information, frequently referred to as the "big data of agriculture," has innumerable applications for farm management, crop and food risk protection, eco-system services, and supply chain management. Using the tools of agricultural and applied economics, the possibilities for increasing market efficiencies and policy options throughout the producer and consumer agri-supply chains can be identified. As a result, in coordination with the agricultural economics community, the Council on Food, Agricultural and Resource Economics is forming the *Big Ag. Data Steering Committee*. The charge of the steering committee is to identify a disciplinary working definition of "big ag. data,"

opportunities for and limitations of its use, and a set of research goals and priorities for publicly funded research. The research goals and priorities will provide guidance to investors in the profession related to the evaluation and analysis of the implications of big data in agricultural production efficiencies, risk, and agri-business management. Please send a brief summary (no more than 1 page) of what you doing in this arena or envision our profession using these data and techniques. Please send your narratives to cgala@cfare.org and Keith Coble at keith.coble@msstate.edu by August 28.

### **Funding Opportunities**

### United States Department of Agriculture – Higher Education Multicultural Scholars Program (MSP)

Award Ceiling: \$200,000 - Deadline: Aug. 31, 2015 The purpose of this competitive undergraduate scholarship grant program is to increase the multicultural diversity of the food and agricultural scientific and professional workforce and to advance the educational achievement of all Americans by providing competitive grants to colleges and universities.

### Environmental Protection Agency – Great Lakes Restoration Initiative 2015 Request for Applications Agricultural Watershed Management Implementation

Deadline: Sep. 28, 2015

This Request for Applications (RFA) solicits applications from eligible entities for grants and/or cooperative agreements to be awarded pursuant to the <u>Great Lakes Restoration Initiative Action Plan II</u>. This RFA is the EPA's major competitive grant funding opportunity under the Great Lakes Restoration Initiative for FY 2015 and is one of several funding opportunities available through federal agencies under the GLRI. Applications are requested for projects within the five categories: Invasive Species Prevention (EPA-R5-GL2015-ISP), Invasive Species Control (EPA-R5-GL2015-ISC), Urban Watershed Management Implementation (EPA-R5-GL2015-UWM), Agricultural Watershed Management Implementation (EPA-R5-GL2015-AWM), and the Maumee River Watershed Nutrient Prevention Pilot Project (EPA-R5-GL2015-MNP).

### Economic Development Administration (EDA) Regional Innovation Strategies (RIS)

Award Ceiling: \$500,000 - Deadline: Oct. 5, 2015
The Department of Commerce (DOC) FY 20142018 Strategic Plan sets forth the strategic goal of
working within and across ecosystems throughout
the country to develop regional innovation
strategies, including regional innovation clusters.
This comprises building public and private capacity
to invent, improve, and commercialize new
products and services. Regional innovation
strategies are a keystone of the Secretary of
Commerce's commitment to building globally
competitive regions. As part of this strategy,

funding is available for capacity-building activities that include Proof of Concept Centers (POCCs) and Commercialization Centers (CCs) (as well as scaling of existing commercialization programs and centers) and for operational support for organizations that provide essential early-stage funding to startups. Under the RIS Program, EDA is soliciting applications for two separate competitions: (1) the 2015 i6 Challenge and (2) Seed Fund Support (SFS) Grants. Applicants may but are not required to submit proposals for more than one competition under the RIS Program.

### United States Department of Agriculture/Microsoft Innovation Challenge to Address Food Resiliency – \$60,000 in Prizes Offered for Most Creative Applications Using USDA Open Data

Deadline: Nov. 20, 2015

The challenge invites entrants to develop and publish new applications and tools that can analyze multiple sources of information about the nation's food supply, including <u>USDA datasets</u> that are now hosted on Microsoft Azure, Microsoft's cloud-computing platform. The deadline for entries is November 20, giving challenge participants three months to create their applications. Winners will be announced in December 2015. Microsoft promoted the challenge at the 2015 meeting of the <u>Agricultural & Applied Economics Association</u>. Full details are at <a href="http://usdaapps.challengepost.com">http://usdaapps.challengepost.com</a>.

### National Science Foundation (NSF) - Food, Energy and Water (FEW) Workshops

To find new answers, the NSF has funded 17 grants, totaling \$1.2 million, to support workshops on the interactions of food, energy and water, or FEW. Additionally, \$6.4 million will supplement existing grants, enabling scientists to conduct additional research. The FEW workshops will each involve 30–80 participants. The workshops are intended to facilitate partnerships among researchers in the natural sciences, physical sciences, social and behavioral sciences, and computing and engineering. Their goal is to find innovative approaches to understanding food-energy-

water systems, such as those found in the changing conditions of California, and in large international river systems. Researchers will also study technologies that can create resource efficiencies, reduce waste and enhance reuse. Workshops of interest:

- Workshop on Migration, Climate Change and the Resilience of Regional Food, Water, and Energy Systems
- Coupling Economic Models with Agronomic, Hydrologic, and Bioenergy Models for Sustainable Food, Energy, and Water Systems

Report prepared by Caron Gala, the Executive Director of the Council on Food, Agricultural and Resource Economics (C-FARE).

Contact Caron at cgala@cfare.org.

### Job Openings

Be sure to visit the <u>AAEA Job Board!</u> Our new platform allows employers to post open positions on the site and browse the resumes of qualified candidates. Applicants can apply for these positions online and upload their resumes anonymously, protecting their personal information





The Exchange Volume 37, Issue 17
August 2015

The Exchange is published biweekly by the Agricultural & Applied Economics
Association.
Submit all items to:

AAEA 555 E. Wells Street, Suite 1100 Milwaukee, WI 53202 Phone: (414) 918-3190 Fax: (414) 276-3349

e-mail: <u>info@aaea.org</u> Website: <u>www.aaea.org</u>

### Coming up in the next issue of The Exchange...

- President Jill McCluskey's Message
- 2015 Award Winners
- Call for Nominations AAEA President-Elect & Directors 2016
- Call for Nominations AAEA Fellows 2016