

Economics Newsletter

Newsletter of the Department of Economics

Letter from the chair

Hi everybody! Greetings from the PSU Economics Department faculty and staff!

We're hoping to send this newsletter to all of our alumni and friends on an annual basis, in order to create more community in the PSU Economics Department and to facilitate networking among our graduates.

The past few years have been both exciting and challenging for the department.

As you'll see from a visit to our Web page (<http://www.econ.pdx.edu/>), we've added several junior faculty over the past six years, taught new classes, developed a new graduate certificate program in Applied Energy Economics and Policy, and among us published quite a few books and articles.

As for the challenges, we continue to face funding cuts from the state legislature—call your representative and tell them how important funding higher education is to the state of Oregon!

However, we're confident of our ability to continue to provide excellent undergraduate and graduate education in economics, and are strategizing to expand even beyond our former glory!

If any of you would like to be involved with the department, have ideas for programs we could implement, or have questions—how do we calculate the CPI, again?—don't hesitate to give us a call, or drop us an e-mail message.

Yours,



Mary King, Chair



Three seniors win awards

The Economics Department made three awards to graduating seniors this spring.

Jake Otnes won the Harold Vatter Award, honoring an excellent student in economics. While the department has presented this award annually since it was established by a student of Professor Vatter's in 1991, this was the first year that we've given it since Dr. Vatter's death in September 2000.

Supporting your department

Enrollment at PSU is predicted to be up again this year. PSU is now the largest university in Oregon and is increasingly the university of choice for more traditional-age students. We also continue to serve the widest and broadest range of students who are returning to school after time in the work force.

This has led to a need for more scholarships and student aid, classroom and lab support, faculty development grants, and conference travel stipends for students.

As you probably know, PSU receives only 30 cents of every dollar from state appropriations—the rest of our budget is derived from tuition, grants, contracts, and private giving. Please remember the Economics Department when you give to the University. You can send us a check made payable to the PSU Foundation to: Department of Economics-ECON, Portland State University, PO Box 751, Portland OR 97207-0751, or log on to http://www.foundation.pdx.edu/donation_form.phtml and give online.

Your support makes the difference in the life of our students! Thanks for helping those coming behind you.

out Nepal, and I plan to continue introducing refined combustion methods to rural areas, work that I started—and for which I managed to earn two U.S. patents—after returning from my Fulbright to Zambia in 1995.

The political situation in Nepal was quite tense; essentially a war had broken out between Maoists in the hills and the police. Discontent related to the failure of development projects to improve the incomes of rural folk provided solid footing for the upsurge in rebel activity. I left Nepal at the end of a three-day general strike and learned of the killing of members of Nepal's royal family back in Europe, from my never-disclosed location on a Bavarian farm. I have spent quite a bit of time over the last two decades on this farm as an undocumented farm worker.

In June, I undertook a three-week practicum in a family-owned brewery in Traunstein in southern Bavaria, near the Austrian border, with the idea to someday introduce a true Bavarian Bier to the American palate.

The Carl Campbell Award, which honors another former member of the PSU economics faculty, was shared by two students this year, both of whom have excellent records in economics: Jakob Lahmer and Ain Vale.

Baby boom hits department

We're experiencing a bit of a baby boom in the department!

Macroeconomist Marty Schmidt and his wife, Susan Mulholland, welcomed their second child, Casey, September 12. He joins older brother, Michael, who's one and a half.

Environmental economist Patricia Koss and her husband, Sami Khawaja—whom many of you know from his frequent teaching stints in the department—have a little boy named Joseph, born last November, and are expecting a new arrival in January.

Watch for notices of departmental parties—they've become much more lively!

Alumni news

We're hoping that this newsletter will help our alumni stay connected with one another as well as with the department.

If you'll send your news in to us, we'd love to print it in the next newsletter. You can send it to: Rita Spears or Mary King, Economics Department, Portland State University, P.O. Box 751, Portland, OR 97207, or e-mail it to kingm@pdx.edu.

Jan Armstrong Holloway '97, MS '99. As some of you will remember, I earned my B.S. in economics along with my older son, Burke! I married Chuck Holloway in December 1999. From September 1999 to the present, I've worked as an economic consultant for Delta Economic Consulting and for Orca Capital. I presently work as a new business development consultant for JMW Capital Partners. Email Jan at venusdemi-lo57@yahoo.com.

Nick Portalski '98. After finishing bachelor's degrees in German literature at Reed College and in economics at PSU, Nick moved first to Kansas and then New York City. Currently, he is scratching and clawing his way to a master's degree in political economy and finance at the New School in Manhattan. Email Nick at portalski@yahoo.com.

Gul Unal MS '99. So here I am, a proud graduate of PSU economics, now studying for my Ph.D. at University of Massachusetts, Amherst, in the economics department. Other than trying to read hundreds of pages of material for my courses, I teach at UMass in order to get full funding for my tuition and living expenses here, and I go to talks given by professors from all over the world, on almost any kind of topic, but of course related to economics!

Here at UMass, since Amherst is not a fun place like beautiful Portland, I also have become a member of CPE (Center for Popular Economics). It is an organization within our department where Ph.D. students offer workshops to teach to nonprofit, nongovernment groups or unions about basic economics.

I have to tell everyone who reads this newsletter that I miss Portland and Portland State University a lot. I think it is a great place to study, very diverse, very friendly, and unique. PSU has a very special place in my life and education. And if there would be any chance one day, I would like to give back what PSU gave to me and teach there. My last message for current students of PSU is "seize PSU"; it is a great experience, enjoy and learn from it. E-mail Gul at gul@econs.umass.edu

Affiliated prof joins department

The Economics Department has been lucky to gain a new affiliated member, Dave Ervin, as a result of the hiring of an economist by PSU's interdisciplinary program in Environmental Sciences and Resources. His interests include natural resource and environmental policy, international trade and the environment, business environmental management initiatives, and the environmental effects of agricultural biotechnology.



Because Dave is housed in our department and is teaching economics classes, PSU economics students and faculty are enjoying the benefits of his extremely topical research focus, enthusiasm in the classroom, and wide-ranging expertise.

Dave is an Oregon-trained agricultural economist. Once a Ph.D. student in Corvallis, he went on to serve as the head of the department of agricultural and resource economics at Oregon State. While on the University of Missouri-Columbia faculty, he took an early sabbatical in Cambridge, England, which opened a new world to him, expanding his research agenda in natural resource and environmental policy to international trade issues related to agriculture and the environment.

Dave's policy interests led him to serve in the U.S. Department of Agriculture's Economic Research Service and Congressional Office of Technology Assessment. He later became director of the policy studies program at the Henry A.

Wallace Institute, a nonprofit think-tank dealing with agriculture and environmental issues. He still holds a senior policy analyst position in the Wallace Center for Agricultural and Environmental Policy of Winrock International, in Washington, D.C. He leads Winrock's biotechnology initiative and conducts policy analyses on agricultural and environmental issues in the United States and abroad. Dave also consults with the OECD—the Organization for Economic Cooperation and Development, based in Paris—and the Commission on Environmental Cooperation in Montreal (working on trade and environmental issues).

Dave's recent projects at PSU include studies of the motivations of Oregon firms to undertake voluntary environmental management, and economic indicators of sustainability for the Mt. Hood National Forest. He is about to launch a new project on university-industry relationships in agricultural biotechnology R&D with faculty from Oregon State, University of California-Davis, and Clarkson University, plus representatives of two nonprofit organizations.

New certificate program focuses on energy economics and policy

Last year the Economics Department started a new graduate certificate program in Applied Energy Economics and Policy.

The program in Applied Energy Economics and Policy (AEE) is one of the few offered at the graduate level in the United States. The Portland metropolitan area is home to a number of private and public enterprises integral to generation, transmission, distribution, and marketing of energy. Given the abundance of hydro-electric and other generation facilities in the region, the Portland area is uniquely well suited to its role as a hub in the electricity industry.

While Portland exhibits one of the most concentrated energy-related job pools in the United States, the energy industry here has faced considerable challenges as companies change hands and the industry evolves. There is a high level of demand for qualified professionals in the industry to fill well-paying jobs with promising opportunities for professional advancement.

This program is intended to offer students a broad working knowledge of the energy industry and to provide them with the necessary analytical tools to understand the structure of the industry, its functional elements, and the regulatory environment in which it operates.

David Cohan of the Northwest Energy Efficiency Alliance is the program coordinator, and courses are being taught by Profs. Hossein Haeri, Sami Khawaja, and Fred Keast. Patricia Koss is serving as program director.

To learn more about the certificate, call Patricia at 503-725-3942, or check our Web page: <http://www.aee.pdx.edu/>

New hires for 2001-2002

After several retirements, we've been able to hire one new permanent faculty member and a visiting faculty member, both of whom started this fall.

Leopoldo Rodriguez is taking on the courses in both international economics and economic development. Additionally he'll teach a bit in his area of specialization, Latin American economic development.



Leopoldo joins us after three years of teaching at Eastern Mediterranean University in North Cyprus. He completed his Ph.D. at University of Texas, Austin, writing on the Mexican peso crisis. His current research focuses on the political economy of neoliberalism and democratization in Latin America. He has also published work on Cyprus.

We've also hired **Ayse Evrensel** to replace Tom Potiowsky while he remains on leave as the state economist. Ayse is primarily responsible for teaching macroeconomics and brings a lot of interesting experience to the department. A native of Turkey, Ayse pursued a first Ph.D. in economic geography in Zurich. While teaching at Clemson, in South Carolina, she earned a second Ph.D. in economics. She comes to us after working as a visiting professor at University of California-San Diego.

We're really looking forward to having both Leopoldo and Ayse on the faculty, and hope to give sociology a run for their money, or at least their student enrollment!

Potiowsky still state economist

Many of you probably know that Tom Potiowsky took an unpaid leave from the department two years ago, in order to serve as the state economist for the state of Oregon.

He works in the Office of Economic Analysis, in the Department of Administrative Services. His office is responsible for developing and disseminating quarterly state economic and demographic forecasts and estimating General Fund revenue for the state of Oregon. The office also provides biannual forecasts of prison inmates. The forecasts are used to develop both the Governor's Budget and the Legislatively Approved Budget.

Tom was appointed as acting state economist on February 1, 1999, and state economist on August 1, 1999. He was a member of the Governor's Council of Economic Advisors for three years prior to his appointment with the state.

While we miss Tom as a leader and teacher in the department, at least we know that the state forecasts are as good as they can be!

Postcard from John Hall

Prof. John Hall was on sabbatical during 2000-2001.

PSU abides by the tradition institutionalized in Europe during the Middle Ages. Every seventh year professors are given time off from their regular duties of lecturing, holding office hours, and tending to departmental affairs. This past year I took my sabbatical to finish up old research, to start new research, to learn some new things, and to return refreshed with a new perspective to offer my students for the coming 2001-02 academic year.

I flew to Europe last September after finishing up a year as the Economics Department's acting chair. After a settling-in period, of renewing collegial acquaintances at Munich's Oktoberfest, I started up my research program as a visiting fellow at the department of economics of the Free University of Berlin. There I continued my research on the economy of Eastern Germany since unification, a topic that I have written about for the last decade with Udo Ludwig, my co-author at the Institute for Economics in Halle.



With our research completed in January, I moved to the Osteuropa Institute in Munich. I rejoined forces with Wolfgang Quaisser, who was my guest at PSU during the 1990-91 academic year, and we started writing on the topic of "Europe's Eastern Enlargement." The EU is expected to jump from its present 15 members to include between 25 and 27 member countries, with the lion's share of new member countries coming in as former communist economies in Central and Eastern Europe. Quaisser and I will have the first part of our research appear in the March 2001 issue of the journal, *International Politics and Society*, with the article title "Making the European Union Fit for Eastern Enlargement."

In the late winter, I returned to Hungary, where I wrote my dissertation, to confer with Peter Bod, my colleague who taught in PSU's Summer Session in 1986 and 1988, and who later became president of Hungary's national bank.

In early April, I flew to Kathmandu, and undertook a 21-day trek around the Annapurna massif under the leadership of my guide, Gombu Sherpa, (www.sherpamt.com). This trek included climbing over the infamous Thorung-La, boasted as the highest pass in the world at 17,700 feet. Still living and claiming to be even stronger than before, I flew by airplane and helicopter to Lukla in the Khumbu region of the Himalayas. From there I trekked without a guide up to Gokyo and climbed Gokyo Ri (17,277 feet) for a stunning view of the highest mountains in the world: Everest, Nuptse, and others.

I observed the cookstoves used in Nepal and the poor health related to wood smoke causing respiratory ailments. I drew up some design improvements to the stove used through-

