



## What's the Economic Value of a Clean, Clear Wisconsin Lake?

On Delavan Lake, researchers study a water quality revival. How does that value change when pollution, nuisance weeds and exotic species take their toll?

Delavan Lake in Walworth County may be one of the few places that holds answers to both questions. The 2,072 acre lake, long a mecca for families and retired people from the Chicago area, has undergone a transformation in water quality over the last 15 years, thanks to aggressive community and agency efforts to rehabilitate the lake.

In the wake of those changes, a new project this summer between the University of Wisconsin-Whitewater and the Delavan Lake Improvement Association (DLIA) will attempt to make some clear links between a healthy lake and a growing economy.

Throughout the 1970s and 1980s, the lake was in dire environmental straits from carp infestation, sewage discharges, phosphorous runoff and exotic weeds. But a rehabilitation project from 1990-1992 achieved results by virtually draining the lake, killing carp and restocking game fish, restoring wetlands and ending

private septic tanks on lakefront property. The result has been a huge improvement in water clarity.

By comparing the pre- and post-restoration statistics about Delavan Lake, the researchers will attempt to show how the changes affected property values, lake usage and retail spending around the lake. They will also attempt to forecast what the Delavan Lake community would lose financially if conditions returned to the pre-1990 state.

"This rehabilitation was a dramatic event," said economics department chair Mark Skidmore, one of the UW-Whitewater consultants. "We can draw some inferences from that event, based on the water quality change. We think we'll see changes in people's property values and people's willingness to buy property on the lake."

Skidmore and fellow UW-Whitewater economics professors Russ Kashian and Mark Eiswerth hope to make statistically valid conclusions by comparing economic data from Delavan Lake with similar nearby lakes, such as Beulah and Lauderdale lakes, that didn't undergo such major interventions.

### Yamin Ahmad, Ph.D.



Yamin holds a BSc in Economics from the London School of Economics and Political Science, an MSc in Econometrics from the University of Bristol, and an MA and PhD in

Economics from Georgetown University. He recently finished his PhD at Georgetown University where his work examined the transmission mechanism of monetary policy. He also taught several courses there, both at the undergraduate and graduate level. At the undergraduate level, he has primarily taught Macroeconomic Theory, although his teaching experience does include Principles of Macroeconomics and Microeconomics, International Finance, and Linear Algebra. At the graduate level he has taught mathematical economics to PhD students, and has extensive teaching experience in graduate level macroeconomics.

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## Yamin Ahmad continued from Page (1)

At UW-Whitewater, he currently teaches Principles of Macroeconomics and Money and Banking. Yamin's research interests lie primarily in the area of monetary economics, in particular, focusing on the New Neoclassical literature that incorporates sticky prices and sticky wages. One of the chapters of his PhD dissertation is currently forthcoming in the *Quarterly Review of Economics and Finance*. His other research interests include international macroeconomics and heterogeneous agent models. His current research is examining the effects of heterogeneity in terms of its implications for monetary policy, as well as the role of foreign direct investment compared to portfolio investment in developing countries using Game Theory. He is very excited at being here at UW-Whitewater and is looking forward to collaborating with his new colleagues and conducting exciting research.

Yamin and his wife, Máiread (pronounced Moy-rid phonetically – yes its one of those awkward Irish names) are originally from England and Ireland respectively. They have settled into the Waukesha area with their son, Kalin, who is 8 months old. They are very excited at being here in Wisconsin and are looking forward to the prospect of being able to explore this part of the United States and meeting people.

## Delavan Lake continued from Page (1)

The team also will survey lake property owners and visitors to get a sense of what they value in the lake — and what might happen if the lake degrades. “Our challenge will be to try to estimate impacts,” Skidmore said. “If X happens, how many fewer boaters will be on the lake? What will happen to property values?”

Don Holst, a lakeside home owner and DLIA member, said he hopes the project can demonstrate the value of a healthy lake to local governments. Portions of the lake fall within the Delavan city and town limits, giving both government units a vested interest.

The lake, with more than 13 miles of shoreline, is home to some prominent landmarks, including the 300-room Lake Lawn Resort, six large Frank Lloyd Wright homes, a private yacht club and several marinas. A typical summer day will produce hundreds of boaters, most of them fishing for bass, pan fish or pike. “It’s busy, but not crazy busy,” Holst said. “You don’t have the zip-zip of boats with a lot of wake.”

Dan Lemanski, a fellow association member, said the DLIA is passionate about making sure history doesn’t repeat itself. It worked hard to form a Delavan Lake sanitary district and, just last year, worked to establish a phosphorous fertilizer ban for the township. This spring, Lemanski and Holst traveled to UW-Whitewater’s business college on behalf of the DLIA to seek help on the economic issues.

“People are cognizant of how the lake can be degraded,” Lemanski said. “They try to cooperate.”

Still, the lake faces new challenges: the number of watercraft on the lake has risen by more than 60 percent since 1992, and hundreds of new residences are currently planned on lands draining directly to the lake.

Eiswerth, a fellow economics professor, joined UW-Whitewater in 2003 but brings a long history of environmental economics projects. One recent project looked at the economic damage Eurasian water-milfoil outbreaks were causing to the Lake Tahoe region in northern California, a highly popular recreational area.

This project will be the very first conducted under an Economic Research Center being established by Skidmore, Eiswerth and Kashian. The long-term goal is to provide low-cost consulting and expertise to Wisconsin communities in their urban and regional planning, especially as it relates to Wisconsin’s “Smart Growth” initiative.

This pilot project was partially funded through a \$30,000 grant from UW-Whitewater’s Continuing EDvantage program from the Division of Outreach; and the E-Learning Extension of the University of Wisconsin Extension.

- *Brian Mattmiller*

## Wisconsin Idea Fellows

The Wisconsin Idea Fellows program is meant to highlight the public service mission of the UW System, as embodied in the famous “Wisconsin Idea” statement that “the boundaries of the university are the boundaries of the state and beyond.” Russ Kashian and Mark Skidmore were named Wisconsin Idea Fellows in May of 2004.

## W.P. ROSEMAN EXCELLENCE IN TEACHING AWARD

John Dominguez joined the faculty at UW-Whitewater in 1988.



As Professor of International Economics and Finance, he has taught courses ranging from the introductory Microeconomics and Macroeconomics classes to senior-level courses in International Economics and International Finance and Banking. He has also been a Fulbright International Visiting Professor at Nagoya City University, Japan, Exchange Professor at Kingston University, London, and a Visiting Professor of International Finance at the Universite de Rennes, France.

Dominguez’ support for diversity and students-at-risk is acknowledged campus-wide. Earlier this year, two former students, Kurt Andrae, President Keefe Commercial, LLC and his wife Cindy Andrae established a scholarship fund in his name, citing his life-long impact on their lives.

The W.P. Roseman Excellence in Teaching Award, UW-Whitewater’s highest teaching award, was established in memory of W.P. Roseman, who directed the campus elementary school from 1919 to 1942. The winner carries the ceremonial mace during the 2004-2005 commencement ceremonies.

## Newly Endowed Laurent Economics Scholarship



The Department of Economics is again in the midst of a fund-raising effort to endow a scholarship. This time Dr. Jerome Laurent, in celebration of his 40<sup>th</sup> year as a faculty member in the Department, has begun the process by making donations and raising funds within his immediate family. His son, Tom, has been instrumental in obtaining matching funds from his employer, US Bancorp in Minneapolis. Tom's funding source has ended because he resigned his position in August in order to pursue graduate studies at Indiana University. However, a member of the Economics Advisory Committee has donated an additional amount. As of now a very large portion of the \$10,000-minimum needed has been raised for this endowment. In order to help complete this project Professor Laurent is willing to match dollar for dollar up to \$1,000 for gifts made during the remainder of 2004. Hopefully, the first scholarship of at least \$500 can be offered by the beginning of the 2005-06 academic year.

Professor Laurent believes that another scholarship will help the Department attract additional economics majors. The Department needs all the good students it can get! Therefore, he asks that the Department reward an economics major who has an excellent academic record overall as well as in economics and is an active member of any Economics Department sponsored organization, such as the Whitewater Economics Society. He also would prefer that the student be either a junior or senior by the time the actual scholarship funds are dispersed. Thus, this effort should help further his belief in the rewarding of a student for academic achievements as well as having an interest in economic topics outside the classroom.

Donations are most welcome! For many working in the private sector matching funds are often available as well.

## Scholarship Recipients

Wall Street Journal Award	Sarah Szczepaniec
Economics Department Scholarship	David McCabe
Economics Department Scholarship	Adam Foltz
James Hellie Scholarship	Jeffrey Olson

## Scholarship Contributors

The department & students would like to thank the following for their generous donations to various scholarships:

Kurt and Cindy Andrae	David Bashaw
James Belligan	John Dominguez
Patrick Edwards	Russ Kashian
Beth Kutschenreuter	Jerry Laurent
Tom Laurent	Rob Malewicki
Barbara Moore	Casandra Sauer
Mark Skidmore	Integrity Group Companies
US Bancorp	WW Grainger, Inc.

## Department Scholarships

Students who receive scholarships are grateful for the honor and financial assistance this affords them. The Economics Department currently has one endowed scholarship (James Hellie Scholarship), and has almost met the financial requirements for the endowment of two additional scholarships (John Dominguez and Jerome Laurent Scholarships).

In order to offer these and other scholarship opportunities we need your help. **Donations can be made by making a check payable to the UW-Whitewater Foundation** with a notation on the memo line, or a note, designating your choice. Send it to the Economics Department, Carlson 4003, 800 W. Main St., Whitewater, WI 53190 and we will be sure it is deposited as you request.

John Dominguez Endowed Scholarship Fund

Laurent Endowed Scholarship Fund

James Hellie Endowed Scholarship Fund

Economics Department Scholarship

Friends of Economics (funds support departmental activities)

Students along with the Faculty and Staff thank all those who have so generously supported the department in the past.

# Whitewater Regional Economic Report

Business owners as well as households find that understanding economic conditions is quite useful. It is not difficult to obtain such information on the national economy. However, many businesses are not national in scope, but rather are equally concerned with local markets. National data does not necessarily reflect the peculiarities of any particular location in the country. Local economic conditions may be quite different than national or even statewide conditions. For example, manufacturing is responsible for about 11% of non-farm employment nation-wide, but 18% for Wisconsin and nearly 25% for Jefferson County. What most benefits local

**First Issue is due out in November—Look for it on our website at**  
<http://academics.uww.edu/business/economics>

firms is information of the same nature as national data, but measured and reported at the local level.

Dr. Kashian and Dr. Heinrich mean to meet this need for local data for south-central and southeastern Wisconsin. During the Fall of 2004 we will begin the semi-annual publication of the *Whitewater Regional Economic Report*. This report will provide information on economic

conditions for the counties and a few municipalities in, you guessed it, the south-central part of the state. What is the demographic make-up of these counties? Where do we work? What do we earn? What is our housing like? How do we feel about our economic prospects?

We can't provide the same panoply of data that is available in aggregated state and national sources, but we can provide a valuable service to our community by providing a more local perspective on the economy. We are excited about this project, and look forward to its debut.

## Whitewater Economics Society

## Proposed Fiscal & Economic Research Center

The proposed **Fiscal and Economic Research Center** is well under way. **Professors Eiswerth, Kashian, and Skidmore** are the recipients of a UW-Extension grant, which provides funding to complete two objectives:

**Objective 1.** The development and dissemination of marketing information to inform regional and local stakeholders about the capabilities of the Center.

**Objective 2.** Undertake a Pilot Project that quantifies the impact of a clean and healthy

case study lake on the surrounding local economy. Our case study lake is Delavan Lake.

The primary goal associated with this project is to complete a study that has broad relevance for numerous Southeastern Wisconsin communities that depend in part on lake recreation and amenities for their economic well-being and quality of life. The Department is also seeking other potential sources of funding, and **Professors Kashian and Heinrich** are collaborating to develop the *Whitewater Regional Economic Report*—the first issue is due out in November. Look for it on our web site.

The Whitewater Economics Society is a group for anyone interested in economic issues. Among the events we sponsor are guest speakers, special events, and fundraisers. In years past we have traveled to the Chicago Federal Reserve Bank and had activities such as bowling and billiards to meet other students and professors in a more relaxed atmosphere. This year we are scheduling several guest speakers, other activities, and fundraisers. One fundraising activity will be to host a Texas Hold 'em Poker tournament. We are also helping to conduct a survey to determine the local economic outlook. The Economics Society provides a place for students to learn about economics in everyday life, fun applications, and a opportunity to see what economics is really all about.

## Center for Economic Education Changes Directors



The Center for Economics Education has been a proud outreach activity of the Economics Department at UWW since 1972. It is part of an organization with national and statewide roots: the National Council for Economics Education and the Wisconsin Council on Economics Education called "Economics Wisconsin". The objective of this network is to improve Eco-

omic Literacy by improving Economics Education at the primary, secondary, and tertiary levels. The National Council develops materials for classroom use at all levels and in related areas such as Social Studies, Geography, History, Civics, Environmental Studies, Financial Fitness and even Mathematics. They also provide websites that teachers can freely access to provide classroom activities on current issues and Economic applications.

The Wisconsin State Council coordinates the 8 Centers for Economics Education in Wisconsin, does fundraising, runs its own website and on-line classes for in-service teachers as well as providing educational materials to centers. In addition, the Wisconsin Council runs the popular "Stock Market Game" along with training sessions in how to apply the lessons of the game which is used by many teachers around the state.

After 4 and one half years as Center Director, Dr. Susan Parks is ceding the position to Dr. David Bashaw. Under Dr. Parks' direction, the Center engaged in providing mini-workshops for pre-service teachers every semester, many workshops for in-service elementary and secondary teachers, presentations at statewide teacher workshops, and a series of outreach activities to local school districts.

Dr. Bashaw will step into the position of Director in January 2005. He has already been an active participant in workshops given during the past year to High School Mathematics teachers, has attended the coordination meetings of the State Center Directors, and attended the National Conference in Little Rock in October of this year. It will be a new challenge for him, but one he is well prepared to undertake.

# Term Honors, Graduates— Congratulations!

## Honors Fall 03

Garren Agle            Scott Baertschi  
Nathan Korhonen    Jonathon Lokken  
Michele Mukavitz   David Moeller  
James White

## Honors Spring 04

George Ambelang    Scott Baertschi  
Robert Fredrickson Jonathon Lokken  
Stephen Meyer       Eric Stangel  
Andrew Schaapveld

## Degrees Awarded Fall 03

Austin Adler  
Garren Agle, Cum Laude  
Nathan Korhonen, Summa Cum Laude  
Michele Mukavitz, Magna Cum Laude  
Daniel Squire, Cum Laude

## Degrees Awarded Spring 04

George Ambelang, Magna Cum Laude  
Jia Sheng Cai, second Major  
Robert Fredrickson  
Ross Johnson  
Stephen Ruetz  
Jason Schroeder, second Major  
Sarah Szczepaniec, Magna Cum Laude  
David Vess, Cum Laude  
Jeff Wilson, Cum Laude  
Richard Spaulding, minor

## Degrees Awarded Summer 04

Cora Brumley        Matthew Loverine  
Thomas Moore       Michael Robers

Pi Omega Pi has contacted Professor Dominguez and will be bringing a group of high school business students to his class on December 8th to observe.

It has come tradition for the winner of the Roseman Award to be the keynote speaker at the annual Who's Who among American College & University Students recognition ceremony which is held in February; Professor Dominguez is looking forward to this honor.

**Dr. Mark Eiswerth** is beginning his second year as an associate professor at the University of Wisconsin-Whitewater. He enjoyed his first year here very much, in particular getting to know his new colleagues and becoming integrated in the university and surrounding area. Last year he taught courses in Macroeconomics, Business Statistics, and Natural Resource and Environmental Economics. This fall he is teaching Microeconomics and Business Statistics.

One of the most exciting highlights this past year for Mark was the commencement of a project that is looking at, among other things, the value of Delavan Lake's environmental amenities to the surrounding economy and community. This project, which Mark is working on along with his UW-W colleagues Drs. Skidmore and Kashian, is funded by University of Wisconsin Cooperative Extension with additional support from the Delavan Lake Improvement Association. Our project work began this past May with the development of detailed primary survey instruments to collect information and opinions from both residents of and visitors to Delavan Lake.

This past year was also a busy one for other research projects. Mark traveled to Sacramento twice to conduct work under a project funded by the California Department of Food and Agriculture, and presented interim results of this research at the Mid-Continent Regional Science Association Annual Conference in Madison in June. This project estimates the economic losses from, and optimal management responses to, a notorious invasive plant species that infests up to 15 million acres of California rangelands and recreation lands. Preliminary results indicate that losses to California agricultural producers (from just this one invasive species) are at least tens of millions of dollars per year. The value of water losses in CA due to the increased water uptake of this invasive species likely are in this same range. Analysis under this project is continuing.

## Faculty Activities

**Dr. David Bashaw** is enjoying his role as a Master Advisor for the College of Business and Economics in addition to teaching. Dave is also busy preparing to take over the Center for Economic Education in January. If there are any alumni that are currently teaching in an elementary, middle school or high school environment and would like information on how to incorporate economics into your lesson plan, he would be delighted to talk (262-472-5585 or bashawd@uww.edu). All others are also encouraged to drop him a line to let him know how things are going.

**Professor Dominguez** was invited, along with a small group of faculty from across the UW-System, to be honored at a reception hosted by Governor Jim Doyle and the First Lady, Jessica Doyle, at the Governor's Executive Residence on April 12, 2004. The Governor introduced his cabinet then gave a discussion about the challenges which lie ahead for the State of Wisconsin. Professor Dominguez chatted with the Governor about the prospects of the state collaborating with the venture capital industry. The First Lady and Professor Dominguez had an opportunity to speak about the time she and the Governor spent in the U.S. Peace Corp.

Dr. Dominguez presented a paper on "Retention and Academic Success" at UW-Whitewater on September 9, 2004 for the Multicultural Student Orientation Program held in the Hamilton Center.

In October Professor Dominguez presented a paper in Las Vegas on "Cuban Kapitalism: Ideology and Embargo Ramifications of the Foreign Investment Act-Law Number 77: co-written with Richard Gregory also of the Economics Department. This was part of the International Academy of Business and Economics Conference.



**Professor Dominguez and Governor**

## Faculty (continued from Page –5–)

### (Eiswerth continued)

Other activities for Mark this year included chairing the Land Use and Wildlife Impacts session at the Annual Meetings of the American Agricultural Economics Association in August. At the meetings he also presented a paper entitled “Anthropogenic and Natural Determinants of the Population of a Sensitive Species: Sage Grouse in Nevada.” Research papers this year have included articles published in *Weed Science* (in press) and *Review of Economics of the Household*. The former uses input-output analysis to estimate the economic impacts of nonnative plants and weeds on a state’s economy. The latter paper examines the influence of asthma symptoms on the allocation of time among labor, leisure, indoor and outdoor activities.

Mark and his wife (Ann Dixon) and two daughters (Kristen, 8, and Kathleen, 4) enjoyed learning their way around their new town and state this past year. Included in the fun were a few active outings (always active, with girls these ages!), such as ice skating, boating, bicycling, and camping in northern Wisconsin. They hope for more of the same and good fellowship with colleagues, family and friends in the coming year.

**Professor Stuart Glosser** has had a year of major changes in his personal life. Their oldest started high school (9<sup>th</sup> grade), the next to the oldest started middle school (6<sup>th</sup> grade), and the youngest started kindergarten. There is a major remodeling project going on in their home and it will not look the same when it is done. The family is hopeful that everything will be finished by Thanksgiving.

He also attended 2 meetings and presented a paper at each of these meetings. The first meeting (Eastern Economics Association) in February was in Washington, DC., the second, (Atlantic Economics Association) was in October and was in Chicago.

**Dr. Heinrich** was able to do a bit of traveling in 2003, presenting papers in Chicago and Vancouver, BC and interviewing job candidates in San Diego over winter break. Interestingly, he had a chance meeting with Kevin Selch, one of our recent alumni, on the street in Vancouver. Kevin is doing well, and recently completed an M.A. in economics at the University of British Columbia. Dr. Heinrich is also busy on campus teaching and implementing assessment of learning procedures in the College.

He also gets his few minutes of fame on occasion at WCLO-AM radio out of Janesville. This fall, Dr. Heinrich has his nose buried in research...time to get some publications out of those presentations, and he is working with Dr. Kashian on putting out the inaugural issue of the *Whitewater Regional Economic Report* covering 5 counties in South-Central Wisconsin – Lafayette, Green, Rock, Walworth, and Jefferson.

**Dr. Jerome Laurent** began his 40th year of teaching economics at UW-Whitewater this September. He has been teaching microeconomic principles as well as the history of economic thought course. Campus activities have kept him very busy, especially his work on the University Faculty Personnel Rules Committee. (This committee typically meets on Friday mornings starting at 7 a.m.!) After many years – at least 15 – he finally gave up his membership this past June on the Campus Landscape Planning Committee; this group has been very active in bringing about campus beautification projects. If you visit campus you will notice the improvements. He continues his off-campus service as a member of the Research and Awards Committee of the Association for Great Lakes Maritime History; this group was recently honored by the Association at its annual meeting held (in September 2004) at the Wisconsin Maritime Museum in Manitowoc. In his spare time he continues his research on the economic organization of Great Lakes transportation during the pre-World War I years. At the departmental level he is overseeing the effort towards the funding of another economics scholarship. (See a separate article on this topic.)

On the home front important events have occurred. His son Tom decided to give up his position as a Treasury Officer with the US Bancorp in order to pursue the M.B.A. degree at the Kelly School of Business at Indiana University. Professor Laurent and his wife Virginia helped him move in August from Minneapolis to Bloomington, Indiana. Daughter Kathy came home to Whitewater to get married this October. She continues as an Assistant Attorney General of Illinois (in the Chicago office); her husband Mario is into real estate ventures of various kinds in the Chicago area. The senior Laurent’s did take a short vacation in August by crossing Lake Michigan from Milwaukee on the new “Lake Express” car ferry before heading north to Mackinac Island and the Upper Michigan peninsula. The car ferry ride was speedy and smooth.

Professor Laurent extends greetings to all economics alumni! And please keep in contact with the Department on a regular basis or better yet stop by for a campus visit.

## UW-Whitewater Graduate Wears Different Hats



**Richard Gregory, Ph.D.**  
Director of the McNair Scholars Program and a Lecturer in Economics

**Dr. Richard Gregory**, received his bachelors degree from University of Wisconsin-Whitewater and completed his Ph.D. in Economics at the University of Wisconsin-Milwaukee in May of this year. 2004 has been exciting and busy for Dr. Gregory because in addition to teaching Economics and serving as Director of the McNair Scholars Program at UW-Whitewater, he became a newlywed in March.

His areas of interest are as follows: Health-care; Labor; Industrial Organization; Privatization and Economic Development in the Caribbean.

In 2003, his work "A Statistical Analysis of Motivations for Employing Part-time Hospital Workers" was published in the *Journal of Global Awareness*. Currently, he is conducting research on Nurses as well as Economic Issues in Cuba. Professor Dominguez presented a paper co-authored with Dr. Gregory at the International Academy of Business and Economics in Las Vegas in October. The paper was entitled “Cuban Kapitalism: Ideology and Embargo Ramifications of the Foreign Investment Act-Law Number 77.”

Richard teaches Business Statistics and Microeconomics for the department.

**Professor Denton Marks** has stayed closer to home over the past year in contrast to his global travels during his 2002-3 sabbatical. He had an opportunity to work on a College-administered consulting project during much of 2003-4, studying economic development issues in the IT industry in southeastern Wisconsin from the perspective of a local IT association (eInnovate). His work took all his spare time during the spring term and the summer and resulted in three reports: organizational and policy issues facing an IT association, a survey of IT organizations throughout North America, and data challenges involved in tracking the composition of the IT industry in southeastern Wisconsin.

(Marks continued)

The organizational analysis raised a number of economic issues such as production problems and alternative pricing strategies when the customer is an “input”; and asymmetric information problems in producing “competitive” professional meetings.

He could not have completed the project without the help of his research assistants/co-authors who were all taken from his economics classes. Three of his assistants/co-authors—**Sarah Szczepaniec**, **David Vess**, and **Jeff Wilson**—were Economics majors graduating in the Class of 2004 who had survived his Econ. 301 class during fall, 2003. His fourth assistant/co-author was **Mary Melka**, an MBA candidate who took Prof. Marks’ micro principles class that same semester. They must have had a good experience because he is still in touch with most of them!

He is currently working with another Econ. 301 veteran, David Moeller, who is his research assistant for a study of the determinants of auction prices for Bordeaux wine as well as his Independent Study student working on a project on the efficiency of auction markets.

Prof. Marks has been studying the economics of higher education for several years with particular interest in the nature of the university “firm” and the evolution of higher education in Central and Eastern Europe. He presented a paper entitled “Toward a Theory of the Market for Higher Education” at the annual meeting of the Midwest Business Economics Association in Chicago in March. After hearing the paper, the editor of the Association’s *Proceedings* asked for and received permission to add the paper to the 2004 volume. He and his co-author, Professor George Tesar (University of Umea (Sweden), formerly of UW-Whitewater), also have a paper forthcoming in a European journal next year entitled “Different Objectives, Different Models: The Challenge of Integrating EU and CEE Higher Education”.

Prof. Marks continues to straddle the two worlds of eastside Milwaukee and Whitewater—and prays for mild winters, cheap gas, and good students. He always enjoys hearing from former students so let him hear from you when you have time to write.



**Professor Schweigert** is back to teaching after having been on sabbatical for a year in Zagreb, Croatia (formerly part of Yugoslavia). He thought it would be a difficult adjustment to come back, but guesses he has taught for long enough that at least some of it is just “automatic”. While in Zagreb he continued his study of the Croatian language (or “Serbo-Croatian” as it used to be called in Yugoslavia), taking an intensive course in the Fall semester at the University of Zagreb. As a Slavic language, it’s kind of hard for native English speakers. For example, “*Āelimo Vam sretan Bořif i uspješnu Novu godinu!*” means “We wish you a Merry Christmas and a successful New Year!” Very few of the words look like their English equivalents. In the Spring semester Tom focused on research dealing with the Croatian economy. He had an office at the Economics Institute, which was founded in the late 1930s and still exists, despite all. In early July Professor Schweigert presented the paper, “Croatian Exchange Rate Policy: Nominal Stability and Real Consequences”, at the Academy of Business and Administrative

Sciences XI International Conference in Bratislava, Slovakia. Slovakia and Croatia were both part of the Habsburg, or Austro–Hungarian, empire.

To get to Bratislava from Zagreb, you pretty much just drive straight north to Vienna, hang a right, and you pass by Bratislava on your way to Budapest. He is hoping to develop a travel–study course for Southeast Europe/former Yugoslavia. It is an historically interesting, though not well understood, part of Europe, and the Dalmatian Coast, the Adriatic Islands and the Istrian Peninsula were already famous tourist destinations in the nineteenth century.



**Professor Mark Skidmore**, who joined the faculty in 1998, has been serving as Department Chair for the last year and a half and was recently promoted to Full Professor. Mark spent two weeks in Japan last fall as an International Scholar at Nagoya City University. He and his wife spent their first year of marriage in Japan back in 1996 (when Mark was a Fulbright Scholar). Thus it seemed fitting for the two to return together, this time with their two children, Jack (4 years) and Andrew (2 years)! It was a challenging, productive, and fun trip. One result was the forthcoming article “Convergence in Government Spending: Theory and Cross Country Evidence” to be published in *Kyklos* early next year. Mark and his coauthor, colleague and friend, Hideki Toya, also continue their work in the area of the economics of natural disasters. In fact, thanks to a grant from the Japanese government, Professor Toya will be visiting Whitewater this fall to continue this research. One goal of this ongoing work is to identify threshold income levels at which a society will begin to expend resources to protect itself against natural disasters. Mark and Hideki have merged two extensive data sets—one on disaster damages and one on economic data for numerous countries over many years. The resulting data set can be used to identify the relationship between disaster damages and the level of development. Preliminary analysis reveals that as per capita income rises, deaths from disasters fall dramatically, but economic damages increase (because there is more property at risk when a disaster strikes). Additional analysis will reveal the income level required before protective measures will be taken. The work also illustrates that the safest societies are indeed the wealthiest societies. With the onslaught of recent weather-related disasters, it seems this research is very timely.

Kate, Mark’s wife, gave birth to their first daughter and third child (Megan Mckenzie) last spring. Our motto is “sleep is overrated.” The Skidmore’s very much enjoy living in the Kettle Moraine region. They love to take their children on hikes through the forest. When they get the chance, they also enjoy mountain biking and cross-country skiing.

**Bashaw, D** with John S. Heywood. (forthcoming). Black Physicians: Discrimination, Earnings and Job Satisfaction. How Far Have We Come? Race and the Economic Environment. Edited by Marlene Kim.

**Dominguez, J.** (2003, Spring). Cuban Kapitalism: Law Number 77, The Foreign Investment Act. Journal of Global Awareness, Vol 4, No. 1 pp. 111-115.

**Glosser, S. & Golden, L.** (forthcoming). Is Labour Becoming More Or Less Flexible? Changing Dynamic Behavior And Asymmetries Of Labour Input In Us Manufacturing. Cambridge Journal of Economics.

**Glosser, S. & Golden, L.** (forthcoming). The Changing Nature Of Hours And Employment Adjustment In U.S. Manufacturing. International Journal of Manpower.

**Kashian, R.** (forthcoming). State Farmland Preferential Assessment: A Comparative Study. Journal of Regional Analysis and Policy.

**Kashian, R., & Drago, R.** (2003), Mapping the Terrain of Work/Family Journals, Journal of Family Issues, Vol 24, No. 4, 488-512.

**Kashian, R. & Monaco, K.** (2003). The Pricing of Thrift Conversions. Journal of Applied Business Research, 19, 35-31.

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## Putting the 'Smart' in smart growth: Survey looks at effective strategies



**Professor Russ Kashian** says when it comes to "smart growth" planning, costly consultants and oversized committees appear to erode public confidence in the process, based on a new survey of about 40 communities that have completed their long-range plans. But surprisingly, planning committees that take their time often end up with greater community buy-in, the study also found. The study, led by University of Wisconsin-

Whitewater economist Russ Kashian, mined the experiences of Wisconsin municipalities that are ahead of the game in Wisconsin's comprehensive planning mandate. About 140 of Wisconsin's more than 1,000 municipalities have already filed comprehensive growth plans with the state, ahead of the 2010 deadline. With the vast majority of plans still in development, the researchers want to identify some of the common ingredients of successful finished plans. The study is supported by the state Department of Administration and includes economists and survey experts from Marquette University and UW-Stevens Point.

"Our main question here is, can we find ways to predict the eventual community buy-in and support of these plans?" Kashian said. "We looked at questions like committee size and structure, length of the process and money spent on plans."

Some of the key findings include:

*Expensive does not translate into successful.* Kashian said the survey respondents' range of spending on plans was from \$10,000 minimum to \$600,000 maximum, with local costs varying from a low of \$5,774 to a high of \$300,000. There was a negative correlation between the amount of community money spent on the plan and satisfaction with the plan.

(Kashian continued)

*Bigger isn't necessarily better.* Kashian said the survey found a remarkable range in total committee sizes, with as few as five members and as many as 60.

The average size was about 12 members. There was a negative correlation between committee size and effectiveness. "Problems were perceived when members saw their impact as watered-down and minimal," Kashian said.

Regardless of committee size, committees that reported togetherness and cooperation gave a higher rating to the end results.

Based on the findings, Kashian said that planning committees comprised of independent public citizens likely will be more successful than those relying on outside consultants or elected planning commissions. While the latter approaches may speed up the process, it may be seen as less applicable to the community, he said.

"Money spent will speed up the process, but a more gradual approach creates time for the community to digest the results," he said.

Findings of the study will be published in "Proceedings of the 15th Conference on the Small City and Region," which was held in September at UW-Stevens Point. Heather Kohls, an economist at Marquette University, co-authored the paper.

Kashian said more than half of the study respondents received state DOA grants to assist with planning, and more than \$1.2 million is earmarked annually for planning grants. The DOA has strong interest in the study, Kashian said, to insure that its investment in these plans is leading to strong community buy-in.

The smart growth initiative, enacted as part of the 1999-2001 state budget law, is major legislation aimed at encouraging strong land use practices across the state. It requires plans to be in place by 2010 and creates financial incentives for communities that meet state land-use goals.

• *Brian Mattmiller*

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## Motor Fuel 'Sales-Below-Cost' Laws May Lower Gas Prices

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Bucking the conventional wisdom that "sales-below-cost" bans inflate gasoline prices, a new University of Wisconsin-Whitewater study concludes that retail gas prices actually declined in the 13 states that imposed such laws over the past two decades.

UW-Whitewater economist **Mark Skidmore** with coauthors **James Peltier** and **James Alm** found that, on average, gas prices are about one cent lower five years after a sales-below-cost law is in place. The study also indicates that after five years, those same states have 4.5 percent to 7.4 percent more total midsize to large gasoline retailers — those with five or more employees — than they would absent the law.

The study likely will further the controversy over minimum markup and sales-below-cost legislation related to gasoline. States with below cost laws are under intensive lobbying and court challenges aiming for their repeal. Arkansas, Georgia and Montana have terminated such laws.

"We have a study that contradicts the conventional economic view that these sorts of interventions are not a good idea," Skidmore said. "In states that adopt the law, we find that more retailers are able to stay in the game. The laws are serving to retain a competitive environment, which is one route to keeping prices down."

• *Brian Mattmiller*

See the 11/03/04 Wisconsin State Journal Article at : <http://www.madison.com/archives/read.php?ref=wsj:2004:11:03:392155:BUSINESS>

## Alumni Updates

**Jesse Atkinson**, BBA, Fall 2001. Jesse is a Research Assistant at an economics consulting firm, Nathan Associates, in Arlington, VA. His responsibilities include business and legal research, electron and paper document management, data scrubbing, data presentation, and data analysis. He feels fortunate to work in an environment directly related to economics as his work at Whitewater was directly applicable to his job.

In February of 2004 Jesse completed a 7 day trek in the Helambu region of Nepal. He passed through several kinds of forests, walked in heat and snow, stayed in sherpa villages and mountain top lodges. He also enjoyed the scent of blossoming daffney and primrose, and encountered some maoists.

The maoists were public relations specialists, not the armed guerrillas frequently seen on TV. His final day entailed a descent of 2,000 meters in 5 hours and a bus ride back to Kathmandu that lasted 6 hours

with heavy traffic jams The trip left him with peace of mind and a renewed appreciation of nature.

**Cora Brumley**, a 2004 August graduate with a BBA in Economics, is the recipient of the NCAA Division III Ethnic Minority and Women's Internship grant. Cora, along with the interim athletic director and others, developed the grant proposal. The two-year grant enables Cora's to serve as an intern for the project while pursuing her MBA at UW-Whitewater.

From this internship Cora anticipates gaining hands-on sports management experience that will allow her to succeed in the primarily male-dominated world of sports management and administration.

Cora's responsibilities will include working in the areas of compliance and eligibility, assessment, sports information and internal operations. She will serve as a staff member of intercollegiate athletics and will report to the assistant athletic director.

**Chad Dalzin** graduated in 1985 with a B.A. in Political Science and a Minor in Economics. He later earned a Master of Science in Management from Cardinal Stritch University. Currently he is Director of Strategic Sourcing, at the Corporation headquartered in Wisconsin.

Chad uses his economics training on a daily basis (Quantifying Total Acquisition Costs and "Cost drivers" for raw materials are two examples) and would highly recommend economics as a major or minor to any students interested in working for a public or private corporation.

**Mike Darda**, graduated with honors in economics, journalism and public relations from the University of Wisconsin at Whitewater in December 1996. He served as an economist and press secretary for State Senator Margaret A. Farrow in the Wisconsin Legislature. Mike helped design pro-growth tax policy to increase the size and productive capacity of Wisconsin's economy. His work was published in the Wisconsin State Journal, the Milwaukee Business Journal, Milwaukee Journal Sentinel, and other newspapers and trade journals.

In his present position Mike makes long-term forecasts on economic growth, inflation, interest rates and equity indexes

In February 2000, he joined Polyconomics, Inc., an economic forecasting firm run by supply-side guru Jude Wanniski, first as a global analyst and then as chief economist. In December 2003, he joined MKM Partners as chief economist.

## Alumni News (continued)

(Darda continued)

His favorite Bloomberg tools are Custom Index Expression, Multiple Regression Analysis and Bloomberg News for tracking overseas developments.

Mike has written several articles and they can be read on-line.

**Christopher Eisenhower**, moved to Denver, Colorado in 2002 to work for the Defense Finance and Accounting Service, Department of Defense in the taxes and Thrift Savings Plan section. He may soon be relocating to Fort Belvoir Virginia for work, just south of Washington, DC.

Chris is pursuing a commission as an officer in the U.S. Air Force.

**Jerry Griffin**, 1969 Economics/Physical Education. Jerry owns his own real estate company in Mt. Morris and employs four agents. He taught school for eleven years before entering the real estate and insurance fields. He is married with three grown children. They live in a small rural community of 3,500 and greatly enjoy the benefits that a small town offers.

Jerry's economics background has served him well throughout his career. Having a good understanding of the national and world economy is essential in order to make both business and personal financial decisions.

. "The best way to make money is with our brain, not your back. Remember, buy low, sell high."

He says Whitewater's Economics Department was top shelf. His first Economics professor (Mr. Kelly), sparked an interest in economics that has continued to flourish. "The best way to make money is with our brain, not your back. Remember, buy low, sell high."

**Matt Loverine**, a 2004 August graduate is a financial advisor with Met Life. He feels the Economics Department helped him greatly in giving him insight in the world around him. Econ also helped him with the tests he had to take to secure his job, such as the series of 6 and 63 which are all about interest rates and investments. To those

*"To those of you who think an Economics Degree is not worth a grain of salt"*

who think an Economics Degree is not worth a grain of salt, you will be surprised when you start interviewing and the employers love the fact that you went to UW-Whitewater and received a degree in Economics. Good Luck!

**Jay Nadboralski** has been employed at Lab Safety Supply as a Marketing Statistician since graduating in May, 2003. His work involves building various regression models, doing exploratory data analysis, & analyzing market trends and conditions.

Jay's future plans involve going back to UWV to start the MBA program next semester.

This summer Jay got engaged, so the big wedding will be next September. Needless to say, he will be very busy throughout the upcoming year.

**Stan Schraufnagel**, 1977 graduate, has been awarded the 2003 Outstanding Faculty Member of the year by the University of Wisconsin-River Falls. Schraufnagel is an agricultural economics professor.

**Kevin Selch** during his penultimate year at UW-Whitewater decided to continue his studies in economics at the graduate level. He spent time improving his math skills and engaging in research through the Undergraduate Research Program. In Spring 2003 he traveled to Salt Lake City, Utah to present at the National Conference for Undergraduate Research. This experience was useful preparation for the challenges that lay ahead.

Recently Kevin completed an intensive twelve-month Master of Arts in economics program at the University of British Columbia, Canada. His major paper submission quantitatively evaluated the effects of HIV/AIDS on FDI in Africa over the period of 1980-2001. What Kevin enjoyed most about graduate school was the depth he got to study topics in which he was most interested. Serving as a teaching assistant was rewarding work as well. Kevin suggests anyone considering graduate studies in economics should ensure they have taken advanced classes in mathematics, and be familiar with research.

Besides academics, he is fortunate to live in a beautiful location with lots of recreation. In his spare time he goes mountain biking, hiking on the north shore, or on one of the many beaches that surround the campus and city. This last year he also competed in a softball and volleyball league.

**James Tobakos** has recently completed the tenth class in the Wisconsin Rural Leadership Program. This program is held over a two year period. Classes are held about every six weeks for 4 days. There are classes in leadership styles and how to develop leadership skills. Seminars included Technology, State Government, Understanding Urban Life, Rights of Individuals & Communities, Environmental Issues, and Diversity. Jason attended a national seminar that was held in Washington, DC on energy, and a regional seminar on Exploring Race in the U.S. and an international experience in Australia.

Jim is Program Director for the Milwaukee County Council of the Boy Scouts of America.

**Brent Wambold**, 1983, BSE in Mathematics Education, Economics Minor. Brent is licensed in Wisconsin in both fields 7-12, however, due to the lack of schools actually offering economics as a course, in 22 years of teaching he has never been able to teach economics. Brent says WE must encourage and even find creative funding for schools to offer more economics courses. Far too many students in math classes have no idea about key concepts that you and I were taught by our parents at an early age. When Brent discusses profit or loss, expense or income, breaking even, taxes, hourly wages, etc. the students are lost.

WE may have to consider an economics course at the middle school to improve some high school math grades!

***"Encourage Economics Education, far too many students in math classes have no idea about key (economic) concepts."***

Brent's understanding of our economics and that of the world has kept him alive and engaged. Too many kids today have no connection to the world or their future.

Brent presently is a teacher at Badger High School in Lake Geneva, WI.

**Editor, Christie Kornhoff  
Department Program Assistant**

**Co-Editor, Mark Skidmore  
Department Chairperson**