

IAE Informer

News and Gossip from the Institute of Applied Economics - July 2006

We're Baaaaack!

Welcome to the 2006 issue of the Informer. I trust that everyone is having a fabulous year. Lots to report in this issue, so I'll get right to it....

Changes around campus have kept me busier than usual during the spring semester, and I've just now had time to work on the newsletter. Those changes have to do with a new software that is being used campus-wide. About two years ago, UNT began implementation of Enterprise Information System (EIS) for student information, registration, human resources, purchasing, payroll, etc. In essence, EIS will eventually be used for most everything. The implementation process, however, has not gone smoothly. Learning new terminology and working out all of bugs in the system seems to be a never ending process. As a result, the slow-down that usually begins a few weeks into the spring semester didn't happen until April this year.

In addition, UNT's President, Dr. Norval Pohl, will be leaving UNT in August to pursue other opportunities. And, our college's dean, Dr. David Hartman, is also retiring in August. So, there are a couple of

very important searches going on at the moment on campus.

STOP THE PRESS...Dr. Gretchen Bataille from the University of North Carolina has just been named the 14th President of UNT!

Clower's Corner

Perhaps the most exciting news to be reported in a long time is that Dr. Terry Clower married a wonderful lady, Julie, in March; they honeymooned in Italy over spring break. Julie is an educational diagnostician for Denton County and is working on her PhD in special education at TWU.



CONGRATULATIONS TERRY & JULIE!

In addition to getting married, Dr. Clower continues to work on various research projects. He recently completed a book chapter entitled "Economic Applications in Disaster Research, Mitigation, and Planning" for inclusion in *Disciplines, Disasters and Emergency Management: The Convergence and Divergence of Concepts, Issues and Trends in the Research Literature*, by Dr. David McEntire of UNT's Emergency Administration & Planning Department.

IAE Informer Staff:

Bud Weinstein (budw@pacs.unt.edu) – Is putting off retirement to pay his dental bill.

Terry Clower (tclower@unt.edu) – Is settling into married life with Julie and new puppy, Annie.

Lisa Gage (lgage@unt.edu) – Is enjoying being a Great-Aunt to Great-Nephew Billy (3 months).



Message from the Director ~

Having lived in Texas for more than 30 years, I've witnessed several boom and bust cycles in the energy industry. With oil over \$70 a barrel and gasoline about \$3.00 a gallon at present, the usual chorus of pundits and politicians is wailing about "price gouging" and the need to break up "big oil."

Talk about déjà vu! The same caterwauling could be heard in the press and the Halls of Congress immediately after the OPEC embargo of 1973. Back then, the result was enactment of a series of laws that did little or nothing to enhance the nation's energy supply or encourage conservation. Instead, the heavy hand of government intervention distorted the marketplace, subsidized inefficient producers, and wasted billions of taxpayer dollars on impractical or uneconomical alternatives to conventional energy sources. Indeed, this "travesty in five acts" probably increased rather than decreased our dependence on imported energy supplies. It was only after these laws were repealed in the early 1980s, and America's energy companies could respond to market incentives, that investment in oil and gas exploration and production picked up substantially.

President Bush, in his State of the Union address, warned that the U.S. had become "addicted to oil" and needed to wean itself from a century-old habit. To that end, he proposed replacing some of our oil imports with ethanol, hydrogen and other energy sources. That's fine, as far as it goes—and as long as alternative fuels make economic sense.

The International Energy Agency estimates that sustaining a three percent growth rate in the global economy through the year 2020 will require expanding world oil supplies by between 24 and 28 million barrels a day. Satisfying this demand will require an enormous effort by both OPEC and non-OPEC producers. That means energy policy in the U.S. should be focused on stimulating, not impeding, new investment by all of America's oil companies.

America's energy industry isn't the problem—it's the solution. Instead of pointing fingers at big oil, our political leaders should be addressing the imperative to expand the nation's energy supplies. To encourage oil companies to build additional domestic refining capacity, Congress should reduce excessive regulatory and environmental red tape. Similarly, we must open new areas for oil exploration and production, including the outer continental shelf and the Alaskan Wilderness.

Let's not repeat the mistakes of the 1970s by once again trying to legislate and regulate lower gasoline prices or energy independence. History has shown that the best way to reduce our reliance on imports, while spurring higher domestic production and greater conservation, is to let producers and consumers respond rationally to changing market forces.

—Bernard L. Weinstein

McKee's Matters

Dr. McKee continues to conduct research and work in the dispute resolution area. This fall, he is offering a new course in arbitration that will combine CD-Rom, WebCT, and in-person teaching.

He continues to serve as Faculty Athletic Representative and works closely with the Athletic Department.



Students & Scholarships

We've gained a few and lost a few (to graduation, that is). Since our last issue, four students have completed their degree and graduated; two or three more are working toward the summer graduation deadline, so we've had a great year. Six new students already have begun the program, and as of right now we have three more set to begin in the fall 2006 semester. We're still holding right around a total of 20 students in various stages of progress toward the degree.

Recipients of departmental scholarships during the fall 2005 and spring 2006 semesters were Courtney Molchan, Melody Muldrow, Tatiana Salomatnikova, and Ryan Tharp. Most of these scholarships were possible because of funded research projects of the Center for Economic Development and Research. However, we still get some funds from the Dean that are designated as incentives for new students. And, the Luker Endowed Scholarship Fund continues to provide partial scholarship assistance to deserving students.



As always, we need your help to build our scholarship fund so that we can continue to help AECO students. Tax deductible donations to the Economic Development Scholars fund can be mailed to the UNT Office of Development, P. O. Box 311250, Denton, TX 76203. Please note on your donation

that it is intended for the Economic Development Scholars fund, Account 76549.

Or, you can mail your donation directly to us at P.O. Box 310469, Denton, TX 76203-0469. We will deliver your check to the UNT Office of Development and provide them with all information that they need to deposit it into our account and send you a tax receipt.



Say "Hello" to PACS

Effective in Fall 2005, the School of Community Service officially became the "College of Public Affairs and Community Service." The PACS acronym took a bit of getting used to, but we're all adjusting.

Student News

Michelle Driscoll (MS '01) recently became the Assistant Regional Commissioner for Prices at the Dallas Branch of the Bureau of Labor Statistics. Michelle worked full-time at BLS while earning her MS degree and then left BLS to work at the Department of Homeland Security. However, when she was offered the opportunity to return to economics and the BLS, she opted to do so. Congratulations Michelle!



Student Spotlight

Laura Rattner graduated with her MS in applied economics in August 2000. Immediately after graduation, she moved to Miami to try her luck (and enjoy the tropical weather). Laura's career began by collaborating with the Beacon Council, a local economic development agency. There, she was responsible for the collection and analysis of the annual Business Expectations survey. Her next opportunity came as an independent consultant with the Washington Economics Group, a local boutique consulting group lead by Dr. Tony Villamil, former Undersecretary of Commerce. With the Washington Economics Group, Laura led an economic development policy project for the City of West Palm Beach and collaborated in an economic impact analysis of Florida legislation aimed at financing early start-up companies.



In March 2001, Laura joined the Miami Branch of Standard New York Securities, Inc., as their Sovereign Research Analyst. Standard New York is a subsidiary of the Standard Bank Group, the largest bank in South Africa. Internationally, Standard functions as a second-tier bank, dedicated to emerging markets with an expertise in resource banking. Laura's duties rapidly expanded from writing a daily report on emerging markets fixed income instruments to initiating coverage of Central America and Caribbean countries. Her publications earned the Silver Medal at the Research Olympics of *Latin Finance Magazine* in 2002.

In 2003, Laura moved to her current position as the Latin American Chief Economist in the Country Risk Department. Laura is responsible for providing macroeconomic analysis and forecasts on all the target countries in the region and providing investment recommendations for the bank. This includes running a proprietary ratings model, including both quantitative and qualitative variables, and analyzing economic policy decisions and their impact on the business environment in each country. Her job has taken her to a wide range of destinations across the region, including her native Buenos Aires, and given her the opportunity to meet with high-ranking officials with Ministries of Finance and Central Banks, as well as local economic policy think-tanks and political analysts. Her job also leads her to interact with representatives of multilateral financial institutions like the IMF, the World Bank and the Inter American Development Bank. Lately, her reports have also been made available for public distribution and her interaction with clients has increased.

In 2001, Laura married Javi Olivencia (1999 UNT graduate), and they now have two beautiful children: Kiara (3-1/2) and Lucas (9 mos.). Kiara is bright, sweet and creative, and sometimes too smart for her own good...she keeps her parents on their toes. Lucas is already crawling all over the house; he is always smiling and looks up to his big sis.

