

# A Look at What's Happening

## Inside RFF

Research Director and Senior Fellow **Karen Palmer** was selected as the recipient of the 2015 Distinguished Service Award, given by the Public Utility Research Center (PURC) within the University of Florida's Washington College of Business Administration. She received the award at the 42nd Annual PURC Conference in Gainesville, Florida, in February.

RFF Center for Energy and Climate Economics scholars **Brian Flannery**, **Raymond Kopp**, and **Clayton Munnings** participated in the United Nations 2014 Climate Change Conference in Lima, Peru. Kopp presented research with RFF University Fellow **William Pizer** and Visiting Fellow **Joseph Aldy**, and Kaito Akimoto from Japan's Research Institute of Innovative Technology for the Earth.

Vice President for Research and Senior Fellow **Molly Macauley** will serve as the liaison to the National Oceanic and Atmospheric Administration (NOAA) Climate Working Group for the NOAA Science Advisory Board. Macauley also participated in the annual meeting of NASA's Applied Sciences Advisory Committee in San Francisco, as one of eight members.

**Alan Krupnick**, RFF senior fellow and co-director of the RFF Center for Energy and Climate Economics, and **Zhongmin Wang**, an RFF fellow, served as lead editors for a special issue of *Energy Policy* (Volume 75, 2014) that focuses on energy and climate issues in China.

### RFF Names New Head of Finance and Administration

**Terri O'Brien** has been named RFF's new vice president for finance and

administration. She succeeds Ted Hand, who has retired after having been with RFF since 1980.

O'Brien was previously the chief operating officer at Independent Sector, a coalition of nonprofits, foundations, and corporate giving programs, where part of her duties included working with a core leadership team on a new 25-year strategic vision.

Before that, she held positions that included chief financial officer for BoardSource and director of financial operations for World Wildlife Fund, Inc.

Said RFF President Phil Sharp, "One of the most critical jobs at an organization like RFF is vice president for finance and administration. That person must provide essential guidance on how a research institution of RFF's caliber can best engage the most pressing environmental and energy issues of the day while strictly adhering to principles that assure objectivity and integrity. Terri O'Brien understands this and has a proven track record.

"But she also has the biggest possible shoes to fill," said Sharp. "Ted Hand has, as much as any one person, guided RFF unfailingly for the last 35 years as head of finance and administration. It is an understatement to say we shall miss him. And we are fortunate that even in retirement he has agreed to make himself available for advice."

O'Brien began her new position at RFF on March 16.



## RFF Remembers Kenneth Frederick and Robert Young

The RFF family was saddened to learn of the deaths last year of two of its members, former RFF Senior Fellow **Kenneth D. Frederick** and RFF collaborator **Robert A. Young** of Colorado State University.

Kenneth Frederick passed away on October 19, 2014. He began his career as an economic advisor in Brazil for the US Agency for International Development in 1965. Two years later, he accepted an assistant professor position in the department of economics at the California Institute of Technology. Passionate about policy, Frederick moved his family across the country to join RFF as a senior fellow in 1971 as a member of the then Latin American Program. He went on to serve as director of the former Renewable Resources Division and remained with RFF until his retirement. His contribution to the field includes authoring and coauthoring 9 books and more than 60 peer-reviewed articles on the economic and environmental aspects of water and natural resources planning. In addition to his written work, he has left behind a generous contribution as a member of the RFF Legacy Society.

Robert Young passed away on July 17, 2014. Well regarded in the research community for his work on water economics and policy, Young began his teaching career at the University of Arizona in 1963 and in 1968 was recruited as an RFF research associate. He worked with RFF Senior Fellows Charles Howe, William Vaughan, and Clifford Russell, and together with John Bredehoeft, who was visiting RFF from the US Geological Survey at that time, he conducted cutting-edge and foundational modeling work on the optimal pattern of water use over time as groundwater characteristics change.

In 1970, he accepted a professorship at Colorado State University, where he stayed until retirement in 1992. His research in water policy includes the 2005 book *Determining the Economic Value of Water: Concepts and Methods*. RFF Press released Young's second volume earlier this year, co-authored with Colorado State University Professor John Loomis.

## Meet RFF's Newest Fellows

Two of RFF's newest research fellows—Kailin Kroetz and Benjamin Leard—describe their past, present, and future research interests.

### Kailin Kroetz

*Examining species management and conservation*

I have two undergraduate professors to thank for my interest in environmental economics.

At Dartmouth, I had the opportunity to work as a research assistant and write a thesis with Karen Fisher-Vanden and Andy Friedland. The projects I worked on during that time helped me understand the role of economics in the policymaking process and motivated me to pursue a career related to environmental and natural resource policymaking.

For my dissertation, I examined the potential to design tradable permit programs to meet multiple objectives. I used data from the Alaska Halibut and Sablefish Individual Fishing Quota program to provide some of the first empirical evidence of the potential for tradable permit programs to sustain fishing jobs and communities, as well as increase economic efficiency.

I am currently interested in a range of topics related to the design of policies to



manage and conserve marine and terrestrial species. In addition to extensions of my dissertation work, some of my upcoming projects involve exploring how to improve management of coupled biological and economic systems through a better understanding of their underlying systems and linkages.



**Benjamin Leard**

*Assessing issues in energy and transportation*

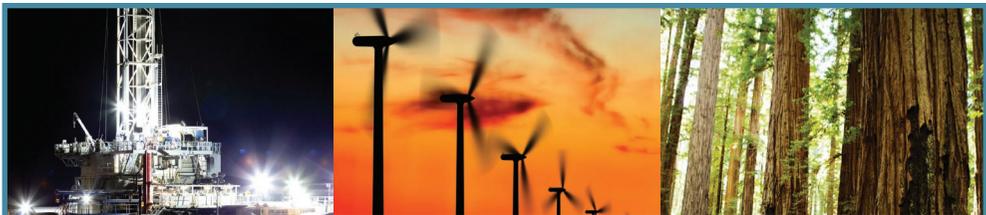
As cliché as it might sound, I knew that I wanted to have a career devoted to economics after my

first college lecture on the subject. I eventually focused my studies on environmental and natural resource economics after realizing that many of the big issues facing

humanity involve how humans interact with the environment and how we handle the world’s resources.

Once I saw that economic analysis stands at the forefront of how countries decide to remedy problems related to climate change and resource depletion, I knew that I wanted to devote my understanding of economics to finding solutions to these problems. I focused my dissertation on issues in climate and energy policy, and I explored how heterogeneity matters for designing environmental and energy policies.

Since arriving at RFF, I have teamed up with Senior Fellow Virginia McConnell to analyze the new credit trading markets under federal fuel economy and greenhouse gas regulations for automobiles. I also am examining issues related to gasoline tax incidence, demand for vehicle automation technology, and the environmental impact of policies for promoting electric vehicles.



# COMMON RESOURCES

Visit RFF's blog, *Common Resources*, where experts provide up-to-date commentary on the latest research, analysis, and debates surrounding environmental and natural resource policy issues—in Washington and around the world.

Join the discussion at [www.common-resources.org](http://www.common-resources.org).



# Highlights from Journal Articles by RFF Researchers

## Evaluating US Oil Security and Import Reliance

Stephen Brown and Hillard Huntington  
*Energy Policy* | April 2015 | Vol. 79 | 9–22  
The authors examine the literature that considers the consequences of US reliance on imported oil. They take an approach that covers many ideas about the related costs, identifying the ideas that have broad support in the economics literature and those with only limited support. They also quantify the costs of US reliance on imported oil as expected US economic losses over a time horizon from 2010 through 2035, taking into account world oil market conditions, market power, probable oil supply disruptions, and the response of the oil market to those supply disruptions.

## Using Taxes to Reduce Carbon Dioxide Emissions Rates of New Passenger Vehicles: Evidence from France, Germany, and Sweden

Thomas Klier and Joshua Linn  
*American Economic Journal: Economic Policy*  
February 2015 | Vol. 7, No. 1 | 212–242  
France, Germany, and Sweden link taxes to passenger vehicles' carbon dioxide emissions rates. Based on new vehicle registration data from 2005 to 2010, the authors find that carbon dioxide taxes reduce registrations. The effect is larger in France than in either Germany or Sweden, and the French results are robust to alternative estimation models. Compared with those of France, the German results vary somewhat more, and the Swedish estimates are the least robust.

## Is What You See What You Get? The Value of Natural Landscape Views

Margaret Walls, Carolyn Kousky, and Ziyang Chu  
*Land Economics* | February 2015 | Vol. 91, No. 1 | 1–19  
Views of natural areas and green space may have value quite apart from access to those lands. Using 25 years of home sales data from St. Louis County, Missouri, and modern geographic information system tools to measure views, the authors estimate a hedonic property fixed-effects model that captures the effects of changing land cover on house sale prices. They find that forest views negatively affect home prices, whereas farmland views have positive effects. Changes in relative scarcity of these land types over time may explain the findings.

## Conservation Planning: A Review of Return on Investment Analysis

James Boyd, Rebecca Epanchin-Niell, and Juha Siikamäki  
*Review of Environmental Economics and Policy*  
Winter 2015 | Vol. 9, No. 1 | 23–42  
Land and natural resource conservation programs are increasingly being evaluated on the basis of their return on investment (ROI). This article surveys the literature in this area. The authors discuss the state of the art of ROI analysis, highlight some unresolved issues, and make suggestions for improvements. The literature indicates that conservation planning that uses ROI analysis can considerably alter the locations and targets of conservation, lead to more protection and higher-quality conservation outcomes, and result in significant savings.