

A Look at What's Happening

Inside RFF

RFF University Fellow **Lawrence Goulder** of Stanford University was named a 2012 fellow of the Association of Environmental and Resource Economists in recognition of his outstanding contributions to the advancement of the profession.

RFF Fellow **Carolyn Kousky** is serving on the Adaptation and Hazards Indicators Technical Team for the US Global Change Research Program's National Climate Assessment. In addition, she was awarded the Tartufari International Prize in the Field

of Socio-Economic Assessment of Natural Disasters for 2013 from Italy's Accademia Nazionale dei Lincei.

RFF awarded Senior Fellow **Allen Blackman** the 2013–2015 Thomas Klutznick Chair in Environmental Policy. With the award, he will examine the costs of programs in developing-country megacities that aim to cut traffic congestion and air pollution by prohibiting cars from being driven one or two days per week depending on the last digit of their license plates.

RFF Fellowship Awardees for the 2013–2014 Academic Year

RFF named the following **academic fellowships, stipend, and internship awardees** to conduct environmental and energy research during the coming year:

Gilbert F. White Postdoctoral Fellowship

» **Daniel Shawhan**, an assistant professor at the Rensselaer Polytechnic Institute, will spend the year in residence at RFF, working to develop and implement improved models of the US power grid.

Joseph L. Fisher Doctoral Dissertation Fellowships

» **Adrian Lopes**, a student of applied economics and management at Cornell University, is conducting dissertation research on poaching and species protection, with an application to elephants in southern Africa.

» **Lala Ma**, an economics student at Duke University, is completing her dissertation on improving estimates of the value of brownfields cleanup by taking into account how much information households have about the site and anticipated future cleanup.

» **Erica Myers**, a student of agricultural and resource economics at the University of California, Berkeley, is focusing on the energy efficiency gap, specifically looking at asymmetric information between landlords and tenants and between home buyers and sellers.

» **Ashwin Rode**, an economics student at the University of California, Santa Barbara, is conducting research on lobbying and permit allocations in the EU Emissions Trading System. He is also studying institutions and the resource curse—a

paradox wherein countries with an abundance of natural resources tend to have less economic growth and worse development outcomes than countries with fewer natural resources.

» **Richard Sweeney**, a student at the John F. Kennedy School of Government at Harvard University, is pursuing dissertation research on the effects of environmental regulations in the oil refining industry, testing whether they spur efficiency and innovation and looking at dynamic firm decisionmaking.

John V. Krutilla Research Stipend

» **Derek Lemoine**, an assistant professor at the University of Arizona, is working to update and improve the damage functions used in integrated assessment modeling of climate change policy.

Walter O. Spofford Memorial Internship

» **Xu Liu**, a student of environmental science at the Yale School of Forestry and Environmental Studies, is working with RFF researchers to study the online retail of green products in China and what the Beijing car registration lottery tells us about demand for automobiles in China.

Meet RFF’s Newest Fellows

Two of RFF’s newest research fellows—**Marc Hafstead** and **Ariel Ortiz-Bobea**—describe their past, present, and future research interests.



Marc Hafstead
Assessing Solutions to Climate and Energy Challenges

I became interested in environmental economics because of the issue of climate change. There have been many policies proposed (and some passed) at local, state, regional, and national levels to address this challenge, but I realized that environmental economics can be used to identify the policies that can deliver the greatest good for the smallest cost.

My most recent research is on the cost-effectiveness of clean energy standards and similar regulations relative to emissions pricing policies, such as a cap-and-trade program. With RFF University Fellow Lawrence Goulder and RFF Senior Fellow

Roberton Williams, director of academic programs, we show that a well-designed clean energy standard can be more cost-effective than cap and trade when calling for relatively minor reductions in emissions. To achieve maximum cost-effectiveness, the standard must give partial credits to electricity generated from natural gas to reflect the differences in emissions generated from both non-fossil electricity and coal-fired electricity.

One of the questions that environmental policymakers frequently ask is how regulations affect jobs. This is not an easy question to answer, but in the coming months I will begin working with Williams to develop an economic model that will allow us to examine the impacts of environmental regulation on employment.

Ariel Ortiz-Bobea
Examining the Effects of Climate Change

I didn’t really plan to become an economist.



Following a field experience in Ethiopia, I started to apprehend the key role for policy in influencing the interactions between conservation and development. That led me to a degree in public policy and an appointment as special assistant to the minister of the environment of the Dominican Republic. The policy challenges I witnessed there helped crystallize my interest in this field.

My dissertation focused on developing an econometric approach for assessing potential climate change impacts on agriculture in the United States. Many insights can be gained from carefully unpacking climate change impact mechanisms. For instance,

key climatic factors affecting the sector tend to be confounded, like extreme temperature and drought. If you don't measure one of these factors well, you end up attributing the effects to the other. This can bias impact estimates.

During my first week at RFF, I was contacted by two separate teams to submit research proposals to the National Science Foundation to explore water quality and sustainability issues related to agriculture under climate change. I also plan to work on issues related to the value of environmental information and to environmental risk and agricultural biotechnology.



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