



In This Issue

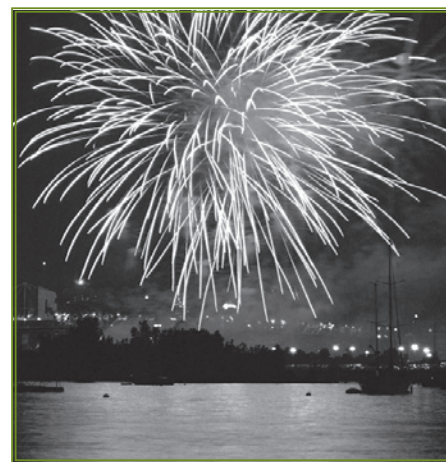
Student Spotlight - - - - -	1
Impacts of Retirees - - - - - on Rural Areas	2
New Faculty - - - - -	3
From the Head of - - - - - the Department	4
New Center for Tobacco - - - - - Grower Research	5
Retirements and Departures - - - - -	6
Beef Cattle Business Benefits - - - - - From Team Approach	7

He Shoots the Big Ones!

STUDENT SPOTLIGHT ON RYAN HENSLEY

Some shoot bottle rockets or set off firecrackers on the Fourth of July. For Ryan Hensley, a junior in agricultural economics and business from Lenoir City, Tennessee, the smallest firework he lights on the Fourth of July has three times more gun powder in it than a person can legally buy from a typical fireworks vendor. Ryan works for Pyro Shows USA of LaFollette, TN., one of the nation's leading producers of pyrotechnic displays.

Ryan began working for Pyro Shows in 2003. He could only do cleanup chores at that time since he was not of legal age to shoot the fireworks. That changed in 2006. In July 2007, he served as the crew leader for a 20-minute, \$20,000 show at the Mayport Naval base in Jacksonville, Florida. As a crew leader of five people, he had to wire all the fireworks; check and doublecheck all safety procedures; interact with the fire department, show officials and show sponsors; and then clean up the site after the show. Of course the most fun was actually being the person to "fire the show."



Safety is a major factor in working with fireworks. Ryan went through three days of intensive training. Each night, the

Impacts of Retirees on Rural Areas

How are you affected by retirees moving into your community? Four agricultural economics faculty members completed a study on “The Long-Term Impacts of Retiree In-Migration on Rural Areas.” Drs. William Park, Christopher Clark, Dayton Lambert and Michael Wilcox, Jr. focused on Cumberland County, where roughly one in five residents is an in-migrant retiree. The study was conducted with the support of the University of Tennessee Institute for Public Service.

The research was done during 2005 and 2006. The study’s findings indicate that the impact of retiree in-migration varied by issue, with both positive and negative impacts. One positive impact included promoting economic and community development, as retirees’ spending increased the number and variety of employment opportunities. Other positive results were increased average household income level, contributing to a large fiscal surplus for government services, and lowered property tax rates. In addition, the retirees provided additional leaders and volunteers for community service organizations and promoted the growth of the healthcare industry, providing employment opportunities

and increasing the availability of specialized services. The in-migration produced mixed results in some areas, benefiting some members of the community while creating problems for others. The influx of new residents resulted in a price increase for both land and housing. For existing property owners and some businesses, this was a benefit. For younger residents and those with lower incomes, this increase was a hardship. In the area of employment, more retirees resulted in an increase in the number of jobs available, although many of these jobs were in the service sector, which paid lower average wages.

One of the negative impacts was the increase in traffic congestion. Others included additional demands on existing infrastructure such as roads, sewer, water and other public services.

A telephone survey of 700 households was also conducted and used to identify qualitative impacts that may be important to communities but may not show up in economic analysis. Differences in backgrounds,

and an “us versus them” attitude that can damage the social fabric of a community. For example, retirees were found to be less satisfied than locals with the public library system, but more inclined to support land-use zoning.

Survey participants were asked to indicate the one thing they would change about Cumberland County if they could. As can be seen from the table below, while there were common priorities for change between the two groups, there were important differences as well.

Locals were also asked whether they agreed or disagreed that the influx of retirees into Cumberland County had made it a better place to live. On average, they were neutral on this question. However, there was a difference between locals living in Crossville (the county seat), who generally agreed, and locals living outside Crossville, who generally did not. This finding appears to reflect the opinion of many locals that the obvious benefits of the influx of retirees are at least partly offset by negative impacts of various sorts.

The study was conducted in anticipation of the fast-approaching retirement of a large number of baby boomers, many of whom will choose to relocate to Tennessee because of a mild climate, abundant natural amenities and relaxed lifestyle. If the past is any indication, many of these retirees will choose less congested rural areas like Cumberland County. This study provides information that state and community leaders can use as they plan for this population influx.

The findings of the study indicate... both positive and negative impacts.

What would you change about Cumberland County?

LOCALS	RETIREES
1. Slow down growth	1. Roads/Traffic
2. Politics	2. Better restaurants
3. Roads/Traffic	3. Slow down growth
4. Education	4. Better shopping
5. Jobs/Wages	5. Education

New Faculty

Since our last issue of the Econogram, three new faculty have joined the Department.

Dr. Michael Wilcox is an assistant professor with a full-time Extension appointment in the area of rural economic development. Michael comes to us from the Ph.D. program in Ag Economics at Purdue. He has substantial experience in the Peace Corps in Africa and his pre-Ph.D. background is in biology and fisheries. He has already developed a highly productive educational program working with other Extension personnel and with state and federal agencies in Tennessee to enhance economic activity, incomes and quality of life in rural areas.



Dr. Dayton Lambert has joined the faculty as an assistant professor with a 70 percent research / 30 percent teaching appointment, also in the area of rural economic development. Dayton was formerly employed with USDA, ERS in Washington. He also has a Ph.D. from Purdue and Peace Corps experience. He has established a highly productive research program. He and Wilcox are teaming up to provide an excellent Extension/research punch in the rural development area. Dayton also teaches Ag Econ 360 – Rural Economic Development. His first semester teaching seems to have been very successful.



Dr. Margarita Velandia is our most recent addition. She joined UT last fall as an assistant professor specializing in farm management and production economics. Her appointment is 75 percent research / 25 percent Extension. She recently received her Ph.D. from Texas Tech University. Margarita is a native of Bogata, Columbia. Her early work has involved research in tobacco production in conjunction with the Research Centers at Greenville and Springfield. She is assisted in this work by Ms. Vickie Witcher, with grant funding from Philip Morris. She also expects to develop a research/Extension program in the economics of production and marketing of organic products.



Let Us Know...

Did you have a favorite professor or staff member when you were here? Let us know on your reply card when you mail it back in!

From the Head of the Department

The Times, They Are A'changin'

— And so is administration in the department. Dr. Dan McLemore announced last winter that he would “step down” from his position as department head after more than 10 years in that job. He did so on December 31, 2007 and returned to a research and teaching role. He plans to reestablish an applied research program in the economics of beef cattle marketing and production. He also plans to teach two courses in the undergraduate and graduate programs.

Dr. Delton Gerloff has been appointed as interim head to carry on administrative functions while a search is conducted for a department head. Dr. Gerloff has a long and distinguished record as an Extension economist in the department, having begun his career in 1977. He arrived at UT in 1992 from Texas A&M. His areas of work have been in farm financial management and row crops marketing and outlook.

A search committee chaired by Extension Associate Dean Tim Cross is hard at work to identify a new “permanent” department head. Several excellent candidates have been identified. We hope that a new head can be in place by next fall.



Dr. Dan McLemore



Dr. Delton Gerloff

[Continued from cover]

students got to put on their own little show for the trainers. As might be expected, insurance for employees is a major expense of any show. Pyro buys its better-made and designer fireworks from manufacturers in the U.S., Spain or Australia. These are the fireworks that make the smiley faces, star bursts, etc. Fireworks used at the closing of many shows that are primarily bright and loud come from China. Shells can be from 2.5 inches to 16 inches. Ryan says not many 12- to 16-inch shells are used any more because of the high import tariffs and the fact that there must be approximately 50 feet of distance for each inch of shell between where the shell explodes and anything that might be damaged, such as windows.

Leadership is not foreign to Ryan. 4-H has been a part of his life since

he was in the 4th grade. He was governor of State 4-H Congress and served as president of the State 4-H Council. At UT, he holds leadership positions in his fraternity, Alpha Gamma Rho, and in the Collegiate 4-H Club. Ryan also works part time in the state 4-H office.

Ryan is on track to graduate with his B.S. in spring 2009. He would then like to be a member of the first class of a new joint MBA/MS program the department is considering. At this time, his career plans lean towards agricultural finance with a commercial bank or similar lending institution in rural Tennessee.

Ryan graduated from Lenoir City High School. He is the son of Greg and Debbie Hensley. His dad works for Rohm & Haas, while his mother works with reading intervention for

first graders. Older brother Adam graduated from the UT Ag Economics program in May '07 and is a sales representative for Syngenta. Twin younger brothers Kevin and Kyle are seniors in high school and have applied to UT for next fall. Kevin has plans to follow his brothers in Ag Econ. Kyle is interested in sports journalism, but Ryan says not to give up trying to get him to see the light and major in Ag Econ. Ryan really enjoys sports, but says Kevin and Kyle make him look like he's standing still when it comes to sports.

Where will Ryan be this Fourth of July? He hopes to be doing an internship with a financial institution, but he also hopes to be able to travel to Jacksonville, Washington, D.C., Nashville or some other city, and continue 'shootin the big ones.'

New Center for Tobacco Grower Research

Significant changes have transformed tobacco production over the last decade. These changes include the buyout program, the Master Settlement Agreement and the shift from the auction system to a contract system for marketing tobacco. To help farmers cope with these changes and to serve as a source of reliable data about tobacco production, UT's Institute of Agriculture has established the Center for Tobacco Grower Research and hired Daniel Green as coordinator of the center.

Daniel Green is well-known throughout the tobacco community for his work with the Burley Tobacco Growers Cooperative Association and as a former Extension associate working on tobacco policy issues. Green is working with UT's well-known tobacco policy analyst Dr. Kelly Tiller.

Green is excited about his new opportunity to contribute to the industry. “The U.S. tobacco crop is expected to exceed \$1 billion in value this year. Tobacco remains the most important cash crop for hundreds of rural communities,” he said. “The work of the center will benefit these rural communities, tobacco growers and others interested in the tobacco industry.”

Green said traditional production information such as the amount of tobacco grown and harvested; the amount sold; the location of growers; and conditions affecting tobacco growth, including weather, disease and labor issues, has not been regularly available since 2005. “Such infor-

mation is necessary to monitoring the vitality of the industry,” he said.

The center is charged with publishing regular summaries of industry-related research. The information will be available to the entire industry, including agricultural organizations and leadership, manufacturers and former, current and potential future growers.

“While the center's primary objective will be to collect and disseminate information necessary to enhance the long-term sustainability of U.S. tobacco production, research conducted by the center may improve the success of current growers or attract new or former growers to the industry,” Green explained.

Among the center's first projects is to create a database of growers. Green said the center needs the database to gather information about U.S. tobacco production. Grower participation is completely voluntary and only summary data will be available to the public. Each specific grower's information will remain confidential.

“The purpose of the database will be to develop accurate research analyses and summaries,” Green said.

The center will encourage grower participation by working with organizations whose members may include tobacco growers and through participation in tobacco-related events. Green plans to publish the center's first summaries early in 2008.

Philip Morris USA, in cooperation with Philip Morris International Management SA, provided \$445,000 in funding to establish the center.

The center was located at the University of Tennessee because it has an established record of academic rigor and the UT Agricultural Policy Analysis Center is widely recognized by the tobacco community for its tobacco-related research and outreach programs.

For more information, or to volunteer to participate in the database, visit the center's Web site: <http://www.TobaccoGrowerResearch.com> or contact Green at 1-866-974-0414, e-mail dgreen19@utk.edu.

The U.S. tobacco crop is expected to exceed \$1 billion in value this year



Retirements & Departures

The department has recently lost three of its finest.



Dr. John Brooker retired in fall 2006. He had been on our faculty since 1973, when he came as a new Ph.D. graduate from the University of Florida. John specialized in marketing, especially fruits and vegetables and “green” industry products. He was also a master teacher in the marketing area at the undergraduate and graduate levels. He won a number of research and teaching awards during his tenure both at UT and from the ag economics profession. He advised a large number of our undergraduate majors and served as major professor for many M.S. and Ph.D. students over the years. He served as president of the Food Distribution Society and as editor of the *Southern Journal of Agricultural Economics*. He also enjoyed a long tenure as graduate coordinator in the department. John is living in Knoxville and enjoying family, especially grandchildren.

Dr. David Eastwood retired in early 2006. He came to the department from “across the creek on the East campus” in 1977. He holds the Ph.D. from Tufts University. David’s area of work was in food markets, especially analysis of consumer demand. He was well-known in our profession as a demand analyst. His major teaching roles in the department were in price analysis and managerial economics at the undergraduate level and econometrics and demand analysis at the graduate level. He taught many of our undergraduate and graduate students during his tenure in the department and served as major professor for many M.S. and Ph.D. students. He authored a textbook in consumer economics and was editor of the *Journal of Consumer Affairs*. David has moved to an idyllic home in Booth Bay Harbor, Maine.



Dr. Charles Hall resigned in 2007 to accept an endowed chair position in horticultural sciences at Texas A&M. He came to the department in early 2002 from Texas A&M. Charlie had developed an outstanding Extension program in the economics of the “green industry” and the fruit and vegetable industry. He is widely known as an expert on marketing and management issues. The department’s Extension program and the ornamental and fruit and vegetable industries in Tennessee will miss Charlie’s expertise. The department currently has a search underway to identify and employ a faculty member to replace him.

Beef Cattle Business Benefits From Team Approach

From computer programming to improved genetics demonstrations, Web site development to field day presentations, and much more in between, an impressive amount of educational work has taken place during the past 10 years in the area of livestock marketing. Dr. Emmit Rawls, Professor and Livestock Marketing Specialist, and Ms. Tammy McKinley, Extension Assistant, have worked together to make it all happen.

McKinley began her career in Extension in 1998 on a project to develop a computer program for beef cattle producers to analyze the economic impact of management changes in their operations. Through Rawls’ leadership and McKinley’s computer programming skills, a team of multidisciplinary specialists from the University of Tennessee and the University of Georgia worked to develop the Beef Cattle Management and Marketing System program. They trained more than 120 Extension agents and area specialists from Tennessee and Georgia on the use of the program in working with beef producers.

In 2001, Rawls was named Coordinator of the Tennessee Beef Cattle Improvement Initiative, an alliance of beef industry participants focused on taking Tennessee’s beef producers to the forefront of the industry. Seven areas were identified as critical to the mission of the Initiative. Through the leadership of Rawls and McKinley, these areas are continuing to be addressed. They have worked together to conduct 17 on-farm demonstrations across the state, teaching producers about the impact on the

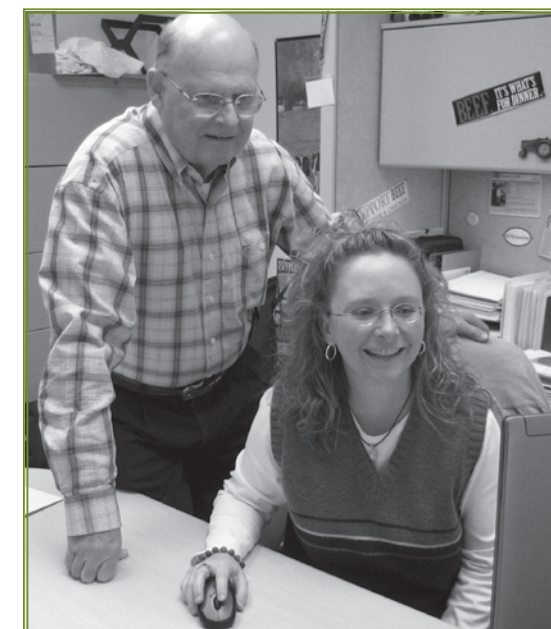
value of their calf crop of improving genetics through the use of superior bulls. They have also conducted on-farm demonstrations aimed at increasing the value of feeder cattle. These demonstrations have focused on the importance of reducing stress on calves during the weaning process and of a post-weaning preconditioning program to add value to their feeder calves.

The team is also known across Tennessee for its educational work in animal identification, which has emerged as a critical issue facing the beef industry. Rawls and McKinley have traveled the state educating beef producers and livestock market operators about the technologies available to them and the opportunities they have to use animal identification, along with age and source verification of their cattle, to meet the demands of domestic and international consumers. Through their work with Tennessee Department of Agriculture, they designed and equipped a mobile educational unit that can be used to teach not only those involved in agriculture, but also the general public about animal identification.

Rawls and McKinley believe that providing Tennessee’s beef industry with the most relevant marketing information available is an important goal of their work. They achieve this through a variety of efforts, such as their involvement in the Tennessee Livestock Network, a non-profit organization with

the mission of expanding marketing opportunities for Tennessee livestock through voluntary verification systems. Rawls also continues to provide the state’s beef producers with current market information through his “Livestock Comments” in the weekly Market Highlights Report. He also developed the marketing section of the Master Beef Producer educational program, from which approximately 4,200 participants will have graduated by June, 2008. He and McKinley, along with area farm management specialists and Extension agents, teach the extensive marketing session of the program. They also coordinate logistics and data management for the Tennessee Beef Evaluation program. The program assists about 25 beef producers in sending 400 cattle per year to be finished in custom feedlots in Iowa. Data on feedlot performance and carcass information are analyzed and provided to the producers, who are able to use it to improve their herd genetics.

To learn more about the teamwork of Rawls and McKinley, visit the Tennessee Beef Cattle Improvement Initiative’s Web site at www.TNBeefCattleInitiative.org.





The first listing of Agricultural Economics in the university course catalog occurred in the academic year of 1913-1914. However, the Department of Agricultural Economics was not formally established until the fall of 1919. In the years that followed, we've seen many students and faculty grace our campus. As we approach our 90th anniversary as a department, we'd like to hear about your memories and experiences.

Please use the enclosed envelope to tell us a little about your memories of the Ag Econ Department. Anything you'd like to share – memories about professors, classes, friends, projects, trips, etc.– would be greatly appreciated. Have any old photos you'd like to share? We'd love that too.

Also, please indicate whether you would be interested in attending a celebration to honor our Department's 90th birthday in the Fall of 2009. Best wishes to all and we hope to hear from you.



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