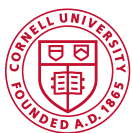
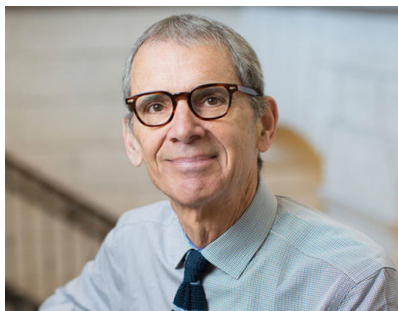


IMPACT: DYSON

DYSON HIGHLIGHTS **SPRING 2021**



Cornell
SC Johnson College of Business



Edward McLaughlin

(Interim) David J. Nolan Dean,

Robert G. Tobin Professor of Marketing Emeritus,

Charles H. Dyson School of

Applied Economics and Management,

Cornell SC Johnson College of Business,

Cornell University

Colleagues,

Welcome to the spring 2021 edition of *Impact: Dyson*, a representative sample of our school's scholarly research, teaching, and engagement from the past incredible year at the Charles H. Dyson School of Applied Economics and Management. Our combined work reflects the Dyson vision of "our business is a better world," as we seek to understand and improve our effectiveness to society.

Dyson's various programs, centers, and institutes address issues central to this commitment, as well. This edition –our second– features more of Dyson's valuable offerings, including a page on our signature Grand Challenges program.

Our faculty makes ongoing contributions to research that improves firm performance and people's lives, in the United States and around the world. The work showcased here, in print and some in video, spans the Dyson School's main research areas and reflects our unique status as a member of both the Cornell SC Johnson College of Business and College of Agriculture and Life Sciences, focusing on:

- The role of agricultural and food sectors—from farm to fork;
- Financial decisions of firms and households;
- Public policy and private firm strategies to improve health, reduce poverty, and promote sustainable development locally and globally;
- Responsible management of natural resources to improve the environment;
- The challenges of internet adoption and digital technologies.

We invite you to share this document with colleagues, and to invite your contacts to learn more about the Dyson School and our faculty's research mission.

Sincerely,

Ed McLaughlin

(Interim) David J. Nolan Dean

Robert G. Tobin Professor of Marketing Emeritus

Charles H. Dyson School of Applied Economics and Management

Cornell SC Johnson College of Business

Cornell University

DYSON'S
NEW TENURE-TRACK FACULTY
APRIL 2021



Matt Marx

Bruce F. Failing Sr. Professor of Entrepreneurship
Faculty Area: Innovation, Entrepreneurship, and Technology
Faculty Expertise: Entrepreneurship and Innovation, Innovation, Technology Strategy, Human Resource Management and Law
<https://dyson.cornell.edu/faculty-research/faculty/mtm83/>
<http://mattmarx.com/>

In addition to his position at Dyson, Matt serves as a Faculty Research Fellow at the National Bureau of Economic Research. His research focuses on reducing barriers to the commercialization of science and technology, which he experienced first-hand during a decade as an executive and engineer at two startups in the speech-recognition industry. Previously he was an Associate Professor at Massachusetts Institute of Technology and Boston University.

Clinton L. Neill

Assistant Professor
Faculty Area: Applied Economics and Policy
Interdisciplinary themes: Business of Food, Innovation, Entrepreneurship, and Technology
<https://dyson.cornell.edu/faculty-research/faculty/clin64/>



Clinton Neill's research explores veterinary economics, food economics and policy, labor economics, time series analysis, experimental design, and industrial organizations and spatial competition. After completing his PhD in Agricultural Economics at Oklahoma State University, Clinton was an assistant professor at Virginia Tech before coming to Dyson to work at the Center for Veterinary Business and Entrepreneurship.



Matthew Neil LeRoux

Extension Associate

Faculty Area: Applied Economics and Policy

Faculty Expertise: Small Farm & Direct Marketing, Food and Agricultural Economics, Farm and Agribusiness Management

<https://dyson.cornell.edu/faculty-research/faculty/mnl28/>

Matt has 20 years' experience serving farms through Cornell Cooperative Extension, non-profits, and consulting. Specializing in market strategy, Matt works with a diverse mix of produce and livestock farmers and food businesses. Career highlights include developing the Marketing Channel Assessment Tool for produce growers and the Cornell Meat Price & Yield Calculator.

Thomas Maloney

Senior Extension Associate

Faculty Area: Applied Economics and Policy

<https://dyson.cornell.edu/faculty-research/faculty/trm5/>



Thomas Maloney conducts applied research on a range of human resource topics related to farm businesses, including employee recruitment, compensation, performance appraisal, motivation, and leadership, focusing in recent years on Hispanic workforce and labor policy issues affecting agricultural employers. For ten years, he served as a Cooperative Extension farm management agent in Cortland County, New York.



CEMS MASTER IN INTERNATIONAL MANAGEMENT (MIM)

John Tobin-de la Puente, Faculty Director

The MPS in AEM with CEMS awards a designation in International Management in addition to the MPS degree. Dyson joins 33 top business schools and 70 global corporate and social partners to deliver this program. CEMS students gain a truly global perspective as they study with their peers from each of the partner schools at Cornell and abroad.



CORNELL INSTITUTE FOR CHINA ECONOMIC RESEARCH (CICER)

Panle Jia Barwick, Co-Director
Shanjun Li, Co-Director

A hub for rigorous and impactful economic research, CICER collaborates with global scholars, policymakers and industry leaders to conduct cutting-edge economic research on China's most impactful economic and social issues. The recent rising of economic nationalism and protectionism heightened our sense of urgency in promoting evidence-based policy making.



DYSON DIVERSITY SCHOLARS (DDS)

Jen Majka, Director of Diversity & Inclusion

DDS is an alumni-funded program designed to provide enhanced support and resources to Dyson undergraduate students who identify as first-generation, low-income, underrepresented minority, and/or students who believe they could benefit from the program to further their success at Cornell.



FOOD INDUSTRY MANAGEMENT PROGRAM (FIMP)

Miguel Gomez, Director

FIMP integrates Cornell's pillars of research, education, and stakeholder outreach to create leading programs targeting food market channels, distribution, packaged goods and retailing. Recent research has examined COVID-19 shopping behaviors, the effects of raising the minimum wage, and interactions between manufacturers and retailers in the grocery industry. Recent executive education programs have swiftly introduced new virtual offerings, such as Rethinking Retail and Brands.

DYSON'S DEGREES, PROGRAMS, CENTERS, AND INSTITUTES



GRAND CHALLENGES

Amy Newman, Outgoing Director
John Tobin-de la Puente, Incoming Director

Dyson has created the Grand Challenges curriculum as a way for undergraduates to engage in complex and concrete community challenges, locally and globally. The curriculum further differentiates Dyson's Applied Economics and Management (AEM) business program, helping students develop critical skills in self-awareness, project teaming, and leadership for societal impact. See more Grand Challenges news on pages 11 and 12.



THE INSTITUTE FOR BEHAVIORAL AND HOUSEHOLD FINANCE



INSTITUTE FOR BEHAVIORAL AND HOUSEHOLD FINANCE (IBHF)

Vicki L Bogan, Director

IBHF fosters independent research and education in the areas of behavioral finance and household finance. With broad outreach across the world, affiliates strive to study investment decisionmaking behavior and to inform consumer financial-related policies and regulation. IBHF just celebrated its seventh anniversary, and is looking forward to the upcoming biennial research symposium on June 7-9, 2021. Follow on Twitter: @IBHF1.



LEADERSHIP BY DESIGN@DYSON

Donna Haeger, Faculty Director

We believe leadership is everyone's responsibility. Our model of leadership is embedded in human and organizational systems. The program cultivates students' capacity to lead and improve communities through high impact engagement, increasing understanding of self and others through teamwork. Dyson's undergraduate Council launched its inaugural Better Business Week April 27-30, 2021.



MASTER OF PROFESSIONAL STUDIES (MPS) in Applied Economics and Management

Aija Leiponen, Faculty Director

Cornell's 10-month MPS in AEM is designed to launch the student's career in business economics and management. The MPS entails 30 credit hours with a strong emphasis on analytical insights through coursework and a capstone problem-solving project, recently pairing problem-solving project teams with clients from consulting, healthcare, and startups in fintech, veterinary technology, and digital health. Top graduate career paths include finance, marketing, and management/operations; top industries include banking, consumer goods, consulting, and food.



MASTER OF SCIENCE (MS)
Program in Applied Economics and Management
Calum G. Turvey, Faculty Director

The MS in Applied Economics and Management is a world-ranked program of study covering the fields of Food and Agricultural Economics, Environmental, Energy and Resource Economics, International and Development Economics and Management, spanning finance, marketing, entrepreneurship, and strategy. The 2021 matriculating class is the largest MS class on record. Approximately one-third of our students continue on to PhD programs at Cornell, Chicago, Purdue, Illinois, UC Davis, Berkeley, Cambridge, Zurich, and more. Our graduates work in economic and managerial consulting, commodity trading, corporate and investment finance, management, and as applied economists with USDA, World Bank, and World Trade Organization.



NY FARMNET
Wayne Knoblauch, Faculty Director

Since 1986, NY FarmNet has guided New York state farms through periods of transition, opportunity, or challenge by providing free, confidential, on-farm consulting services, helping farm families to achieve their business and personal goals.



NEW YORK STATE TAX SCHOOLS
Gregory Bouchard, Director

The Cornell Tax School started in 1947 as the Farm Income Tax School to provide tax training to NYS farmers and their financial advisors. The School now offers a variety of intermediate-to-advanced tax training programs to meet the continuing education requirements of over 900 CPAs, tax practitioners, attorneys and other financial advisors annually through both in person and live on-line programs.



PhD PROGRAM
in Applied Economics and Management
Shanjun Li, Faculty Director

Through rigorous training and supportive mentoring, the PhD program in Applied Economics and Management at Dyson trains future leaders in academia, international organizations, government agencies, and industries. Despite the unprecedented challenges posed by COVID, our graduates have secured teaching and research positions at Hong Kong University of Science and Technology, Peking University, Purdue University, University of Munich, International Monetary Fund, and US Department of Agriculture, and more.



STUDENT MULTIDISCIPLINARY APPLIED RESEARCH TEAMS (SMART)
Ndunge Kiiti, Director

A unique service learning program of the Emerging Markets Program, SMART pairs Cornell graduate and undergraduate students, faculty, and staff with companies, organizations, and community groups located in developing countries and emerging economies. For the 2020-2021 year, our students worked with eight companies to better understand and document the intersection of COVID-19 and the resiliency of the business. Read [this](#) blog post by SMART student Isabelle Noelsaint '21.



TATA-CORNELL INSTITUTE FOR AGRICULTURE AND NUTRITION (TCI)
Prabhu Pingali, Founding Director

TCI is a long-term research initiative focusing on the design and evaluation of innovative interventions linking agriculture, food systems, human nutrition, and poverty in India. TCI was recently awarded a \$1M grant from the Walmart Foundation to assess challenges facing small-farm aggregation models in India and Mexico. Since January of 2020, TCI has published 12 journal articles, four book chapters, and two reports focusing on the state of nutrition in India and the impact of COVID-19.



UNDERGRADUATE PROGRAMS
David Lennox, Faculty Director

Dyson's undergraduate program in Applied Economics and Management guides and trains students to thrive in a respectful academic community and to devote their skills toward positive –sometimes transformational– effects on people, business, and the planet. *Our Business is a better world.*

DYSON FACULTY EXCELLENCE

Dyson's faculty excellence continues to be recognized by students, peers, and professional associations. In 2020, our faculty received the awards and distinguished recognitions listed below. These honors cover each of the functional areas in which we fulfill our land grant mission, including seven awards for teaching excellence, one award for extension/engagement excellence, and ten awards for research excellence. Several of these awards were of the highest honor given by the granting organization.

As of March 2021, the Dyson School had 67 faculty: 12 assistant professors, 11 associate professors, 25 professors and 19 Research, Teaching, Extension. In polls conducted in 2020, we were ranked #1 and #3 among U.S. agricultural and applied economics programs. Our undergraduate management program is consistently ranked in the top 10 annually, most recently in Poets and Quants.

Faculty	Award
Addoum	Merrill Presidential Scholars Program Faculty Honoree, from Cornell University
Addoum	Outstanding Early Career Achievement Award, from Dyson School
Basu	Teaching Excellence - Graduate Program, from Dyson School
Christy	Fellow, Agricultural and Applied Economics Association
John	Faculty Fellow in Engaged Learning, Engaged Cornell
Gerarden	Honorarium, NBER Economics of Innovation in Energy Sector Conference
Gomes	Merrill Scholar award for Most Influential Cornell professor
Gomes	Feigenbaum Prize, Association for the Advancement of AI
Gomez	Faculty Award for Outstanding Achievement in Engagement, Dyson School
Hoddinott	Bruce Gardner Memorial Prize, American Ag. and Applied Econ. Association
Hwang	Best Discussant Award, GSU-RFS Conference on Fintech
Ifft	Outstanding Research Award, American Ag. and Applied Econ. Association
Just	Fellow, American Agricultural and Applied Economics Association
Kniffin	Innovative Teacher Award, College of Agriculture and Life Sciences
Lawell	ReTEc Top Female Economist based on publications
McLaughlin	Outstanding Faculty Award, College of Agriculture and Life Sciences
Neill	Emerging Scholar, Southern Agricultural Economics Association
Niemi	Faculty Fellow in Engaged Learning, Engaged Cornell
Ortiz-Bobea	Outstanding Journal Article AJAE, American Journal of Agricultural Economics
Pingali	National Academy of Agricultural Sciences, India
Schulze	Fellow, Association of Environmental and Resource Economists
Severson	President's Award, National Conference of State Cooperative Council
Van Es	Dyson Teaching Excellence – Undergraduate Program
Verteramo-Chiu	Editors' Choice, Preventative Veterinary Medicine
Wolf	Named E.B. Baker Professor of Agricultural Economics, Dyson School
Yi	Outstanding Research Award Agricultural Finance and Management, AAEA 2020



DYSON'S OFFICE OF DIVERSITY AND INCLUSION

Jennifer Majka, Director

Vision: The Charles H. Dyson School of Applied Economics and Management will be the premiere school for a diverse and inclusive climate of belonging, successfully preparing graduates to address the business challenges of our diverse, interconnected world.

Mission: We strengthen diversity, equity, inclusion, and belonging at Dyson through three intersecting areas that are central to fostering inclusive communities across difference and holistic student development: **enrichment, engagement, and education.**

Enrichment: All students will sense that they belong at Dyson. First-generation, low-income, under-represented minority students and students with other marginalized identities will be well-supported and positioned for academic, personal, social, and career success. We advocate for policy and programmatic transformation that supports closing the equity chasm, thus facilitating student success from enrollment to graduation.

Dyson Diversity Scholars Program: DDS is an alumni-funded program designed to provide enhanced support and resources to Dyson undergraduate students who identify as first-generation, low-income, under-represented minority, and/or believe they could benefit from the program to further their success at Cornell.

A sample of what students say about DDS:

"I have appreciated my time in DDS because of the community and relationships it has allowed me to form..."- Mitchell Jones, '21

"...it fostered a sense of unity and built strong bonds within the community..." Gilbert Akuja '22

"...Many times financial, academic, and career challenges present themselves, and through DDS I've always found an answer." Kristine Rojas '20

"DDS has become my home away from home and has facilitated my transition into college. Thank you!" Genesis Santana '23



Amy Newman, Faculty Director of Grand Challenges @Dyson, to retire

Amy Newman, Faculty Director of the Grand Challenges program, will retire from Cornell in June of this year. Amy's dedication and service to students, shared during 16 years as a senior lecturer of Management Communication at the School of Hotel Administration prior to her role at Grand Challenges @Dyson, will be forever appreciated.



Dyson launches student-run podcast

In mid-March, Grand Challenges @Dyson began hosting a student-run weekly podcast on how business is being used to transform our world. [Better Business, Better World with Seth Bollinger](#) features SC Johnson College of Business faculty, staff, students, and alumni who use business concepts and tools to address society's most pressing challenges. Community-engaged, globally-aware, and striving for impact, the show animates our School's vision –Our Business Is a Better World– and aims to educate and inspire SC Johnson College students to become principled business leaders, social entrepreneurs, and changemakers.



Summer Community Projects

For the second consecutive summer, Grand Challenges @Dyson is helping undergraduate students complete short-term work with local organizations. When the Covid-19 pandemic hit in the spring of 2020 and students suddenly lost summer internships, a team of Dyson faculty and staff created a new program to match students with community partners in the Ithaca area for alternative paid work experiences. Last year, 49 students were placed on [projects](#) with 25 organizations. This year, we plan to source 15 projects for 30 students and to provide a \$1,000 stipend per student. In addition to contributing positively to “town-gown” relations, the Summer Community Projects advance Dyson’s vision and complement the Grand Challenges program.



Student teams in AEM 3000 course deliver best practices in grocery shopping

In the Spring 2021 Pre-Project Immersion course, six Grand Challenges student teams worked with two, local community partners (Cornell Cooperative Extension of Tompkins County and Alternatives Federal Credit Union), as well as Dyson faculty and staff, to create a series of videos promoting [best practices in grocery shopping](#). The intensive, 7-week course, which fosters teamwork, client presentation, and critical reflection skills, is a key component of the Grand Challenges @Dyson curriculum, preparing students for their senior-year capstone project. Community partners plan to use the videos as part of the financial literacy programming within their organizations.



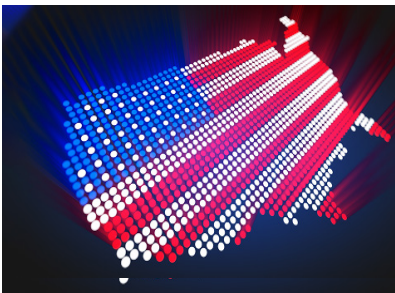
Financing Nature: Closing the Global Biodiversity Financing Gap

October 14, 2020: Dyson's John Tobin-de la Puente moderated this panel discussion of the need for a solid financial plan to face the planet's biodiversity crisis. With Cornell SC Johnson College of Business Dean Andrew Karolyi.



Restoring Financial Stability in Emerging Markets: The Case Study of India

October 15, 2020: Emerging Markets theme lead Lourdes Casanova moderated this panel discussion of India's economic tides, including SC Johnson College faculty Eswar Prasad and Kaushik Basu, and Dean Andrew Karolyi.



Decision 2020: What the Election Might Mean for Business

October 30, 2020: In this pre-election panel, Cornell SC Johnson College of Business faculty shared insights on the potential effects of the 2020 election on stock prices, organizations, consumer trust and behaviors, and business communication and strategies. With Jawad Addoum, Theomary Karamanis, William Schmidt, Simone Tang.



Effective Leadership Through Crisis: Navigating the Long-Term Impact of COVID-19

November 9, 2020: Dyson Professor of Practice Donna Haeger joined alumni for this discussion of strategies for navigating the leadership challenges presented by the pandemic. With Evan Frazier, BS '92, Advanced Leadership Institute; Matheiu Laberge, MBA '16, Deloitte; Sharon MacDougall, MBA/MS '19, Cortland Mental Health

The following pages showcase just a few examples of impactful faculty research in our academic areas.

COLLEGE-WIDE FACULTY AREAS AND THEIR COORDINATORS

ACCOUNTING

- ROBERT LIBBY (SC Johnson Graduate School of Management)

APPLIED ECONOMICS AND POLICY

- NANCY CHAU (Charles H. Dyson School of Applied Economics and Management)

FINANCE

- DAVID NG (Charles H. Dyson School of Applied Economics and Management)

MANAGEMENT AND ORGANIZATIONS

- GLEN W.S. DOWELL (SC Johnson Graduate School of Management)

MARKETING AND MANAGEMENT COMMUNICATION

- MANOJ THOMAS (SC Johnson Graduate School of Management)

OPERATIONS, TECHNOLOGY, AND INFORMATION MANAGEMENT

- GARY M. THOMPSON (School of Hotel Administration)

STRATEGY AND BUSINESS ECONOMICS

- AIJA LEIPONEN (Charles H. Dyson School of Applied Economics and Management)



Arnab K. Basu

*Professor,
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University*



Nancy H. Chau

*Professor,
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University*

Consequences of offshoring to developing nations: labor-market outcomes, welfare, and corrective interventions

Economic Inquiry, 58, 1, January 2020

[LINK TO PAPER](#)

Co-authors

- **Subhayu Bandyopadhyay**, Federal Reserve Bank of St. Louis
- **Arnab K. Basu**, Professor, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University
- **Nancy H. Chau**, Professor, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University
- **Devashish Mitra**, Maxwell School of Citizenship and Public Affairs, Syracuse University

Summary

The authors' parsimonious two-country (developed country and developing country) model of offshoring provides nuanced results, including cases where wages monotonically improve, as well as where wages exhibit an inverted-U relationship with offshoring cost reductions. Basu and Chau identify conditions under which these relationships hold. Since global welfare always rises with improvements in offshoring technology, they find that there is a role for a minimum wage (alternatively, wage tax) in the developing country, and derive such a policy's optimal level. There is also the possibility of a developed country optimal offshoring tax for extracting terms-of-trade benefits. Finally, the authors analyze the two-country Nash equilibrium in policies.



Shanjun Li

*Kenneth L. Robinson Professor of Applied Economics and Public Policy,
Charles H. Dyson School of Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University*

Tightening Belts to Buy a Home: Consumption Responses to Rising Housing Prices in Urban China

Journal of Urban Economics, 115, January 2020, 103190

[LINK TO PAPER](#)

Co-authors

- **Panle Jia Barwick**, Professor of Industrial Organization, Applied Econometrics, and Applied Microeconomics, Department of Economics, Cornell University
- **Shanjun Li**, Kenneth L. Robinson Professor of Applied Economics and Public Policy, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University
- **Yuanning Liang**, Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University
- **Andrew Waxman**, University of Texas at Austin
- **Meng Zhao**, UnionPay Advisors, Shanghai, China

Summary

This paper measures the impact of housing price changes on household consumption at the city level using the universe of credit and debit card transactions in China from 2011 to 2013. In sharp contrast to the literature on the US housing market, the authors' analysis shows a large and negative housing price elasticity of consumption: a 10% increase in housing prices would lead to a 9% reduction in non-housing spending. They argue that the negative elasticity is driven by the combination of a strong investment incentive in housing and heavy borrowing constraints faced by households. This finding is corroborated by the fact that households increase their savings as housing prices increase. This analysis suggests that the negative impact of housing price increases on consumption was an important factor behind the low growth rate in household consumption relative to the growth of disposal income during the sample period.

Selling Crops Early to Pay for School: A Large-scale Natural Experiment in Malawi

Journal of Human Resources 0617-08899R1. Published January 2020



Brian Dillon

*Assistant professor
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University*

[LINK TO PAPER](#)

Author

- **Brian Dillon**, assistant professor, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University

Summary

In 2010, primary school in Malawi began in September, three months earlier than in 2009. Dillon shows that this change forced households to sell crops early, when prices are low. The effect is limited to households with school children, increases in the number of children, and is present only for poor households. Households that financed school by selling crops early missed out on an expected 17.3–26.5% increase in output prices over three months. There is little evidence of improved schooling outcomes as a result of the change. Dillon discusses the implications for policies that offer farmers commitment opportunities at harvest.



Todd Gerarden

Assistant professor,
Susan Henry Sesquicentennial Faculty
Fellow,
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University

Federal Coal Program Reform, the Clean Power Plan, and the Interaction of Upstream and Downstream Climate Policies

American Economic Journal: Economic Policy, 12, 1, February 2020

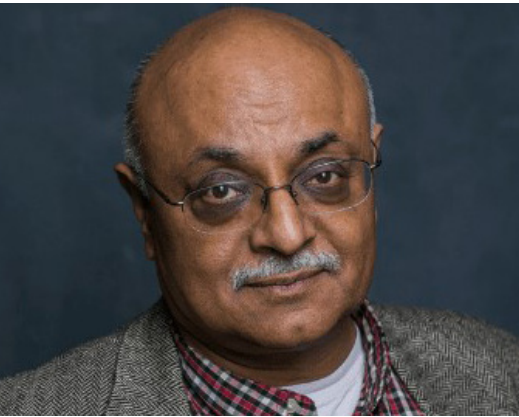
[LINK TO PAPER](#)

Co-authors

- **Todd D. Gerarden**, Assistant professor, Susan Henry Sesquicentennial Faculty Fellow, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University
- **W. Spencer Reeder**, National Bureau of Economic Research
- **James H. Stock**, Harvard University

Summary

Coal mined on federally managed lands accounts for approximately 40% of U.S. coal consumption and 13% of total U.S. energy-related CO₂ emissions. The U.S. Department of the Interior is undertaking a programmatic review of federal coal leasing, including the climate effects of burning federal coal. This paper studies the interaction between a specific upstream policy, incorporating a carbon adder into federal coal royalties, and downstream emissions regulation under the Clean Power Plan (CPP). After providing some comparative statics, the authors present quantitative results from a detailed dynamic model of the power sector, the Integrated Planning Model (IPM). The IPM analysis indicates that, in the absence of the CPP, a royalty adder equal to the social cost of carbon could reduce emissions by roughly 3/4 of the emissions reduction that the CPP is projected to achieve. If instead the CPP is binding, the royalty adder would: reduce the price of tradeable emissions allowances, produce some additional emissions reductions by reducing leakage, and reduce wholesale power prices under a mass-based CPP but increase them under a rate-based CPP. A federal royalty adder increases mining of non-federal coal, but this substitution is limited by a shift to electricity generation by gas and renewables. These findings highlight the importance of information spillovers on individual performance in knowledge-based industries.

**Ravi Kanbur**

*T.H.Lee Professor of
World Affairs,
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University*

The Great Chinese Inequality Turnaround

Journal of Comparative Economics, October 2021

[LINK TO PAPER](#)

Co-authors

- **Ravi Kanbur**, T.H. Lee Professor of World Affairs, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University
- **Yue Wang**, Department of Economics, Cornell University
- **Xiaobo Zhang**, National School of Development, Peking University, Beijing

Summary

This paper argues that after a quarter century of sharp and sustained increase, Chinese inequality is now plateauing and, according to some measures, even declining. A number of papers have been harbingers of this conclusion, but this paper consolidates the literature indicating a turnaround, and provides empirical foundations for it. The argument is made using a range of data sources and a range of measures and perspectives on inequality. The evolution of inequality is further examined through decomposition by income source and population subgroup. Some preliminary explanations are provided for these trends in terms of shifts in policy and the structural transformation of the Chinese economy. We relate the turnaround to two classic phenomena in the development economics literature—the Lewis turning point and the Kuznets turning point. The plateauing is not yet a full blown decline, and there are short term variations. But the narrative on Chinese inequality now needs to accommodate the possibility of a turnaround in inequality, and to focus on the reasons for this turnaround.



C.-Y. Cynthia Lin Lawell

*Associate professor,
Robert Dyson Sesquicentennial Chair in
Environmental, Energy, and
Resource Economics,
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University*

Wind Turbine Shutdowns and Upgrades in Denmark: Timing Decision and the Impact of Government Policy

Energy Journal, 41, 3, 2020.

[LINK TO PAPER](#)

Co-authors

- **Jonathan A. Cook**, Associate professor, University of Oxford
- **C.-Y. Cynthia Lin Lawell**, Associate professor, Robert Dyson Sesquicentennial Chair in Environmental, Energy, and Resource Economics, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University

Summary

For policymakers, an important long-run question related to the development of renewable industries is how government policies affect decisions regarding the scrapping or upgrading of existing assets. This paper develops a dynamic structural econometric model of wind turbine owners' decisions about whether and when to add new turbines to a pre-existing stock, scrap an existing turbine, or replace old turbines with newer versions (i.e., upgrade). Lawell et al apply their model to owner-level panel data for Denmark over the period 1980-2011 to estimate the underlying profit structure for small wind producers (who constitute the vast majority of turbine owners in the Danish wind industry during this time period), and evaluate the impact of technology and government policy on wind industry development. Explicitly taking into account the dynamics and interdependence of shutdown and upgrade decisions, and generating parameter estimates with direct economic interpretations, results from the model indicate that the growth and development of the Danish wind industry were driven primarily by government policies as opposed to technological improvements.



Ariel Ortiz-Bobea

Associate Professor
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University

The Role of Nonfarm Influences in Ricardian Estimates of Climate Change Impacts on US Agriculture

American Journal of Agricultural Economics, 102,3, May 2020

[LINK TO PAPER](#)

Awarded Outstanding Journal Article of the Year
from *American Journal of Agricultural Economics*

Author

- **Ariel Ortiz-Bobea**, Associate Professor, Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University

Summary

The Ricardian approach is a popular hedonic method for analyzing climate change impacts on agriculture. The approach typically relies on a cross-sectional regression of farmland asset prices on fixed climate variables, making it particularly vulnerable to omitted variables. Ortiz-Bobea conducted a long-spanning Ricardian analysis of farmland prices in the eastern United States between 1950-2012, and finds a convergence of evidence indicating that large estimates of climate change damages for recent cross-sections (>1970s), also found in the literature, can be explained by the growing influence of omitted factors extraneous to the agricultural sector. He proposes a simple strategy to circumvent such nonfarm influences based on cash rents, better reflecting agricultural profitability without capitalizing expected land use changes.

Benchmarking upper midwest dairy farm profitability

Agricultural Finance Review, 80, 5, May 2020

[LINK TO PAPER](#)



Christopher A. Wolf

*E.V. Baker Professor of Agricultural Economics,
Charles H. Dyson School of
Applied Economics and Management,
Cornell SC Johnson College of Business,
Cornell University*

Co-authors

- **Roy J. Black**, Michigan State University
- **Mark W. Stephenson**, University of Wisconsin-Madison
- **Christopher A. Wolf**, E.V. Baker Professor of Agricultural Economics, Charles H. Dyson School of Applied Economics and Management, Cornell SC Johnson College of Business, Cornell University

Summary

In order to understand U.S. Upper Midwest dairy farm profitability performance over time and across herd size, the primary objective is to determine how much information is required to accurately benchmark farm performance. Profitability is broken down into asset efficiency and operating profit margin, and financial ratios to measure profitability (rate of return on assets), profit margin (operating profit margin ratio), and asset efficiency (asset turnover) were collected from Michigan State University and the University of Wisconsin business analysis programs for dairy farms from 2000 through 2016. Financial ratio patterns were examined both across time and herd size.

Findings showed that financial performance across large herds was more uniform than across smaller herds, and that small and large herd profitability performance converged in poor years but diverged in good years. Using three or more years performance greatly improved accuracy of benchmarking profitability. The data utilized are very rich in the sense of the amount of variation across years and herd size, and the results have important implications for farm financial management and benchmarking farm financial performance, indicating that farm firms should benchmark multiple years of profitability before making major management changes to alleviate deficiencies.



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Temperature Shocks and Establishment Sales

Review of Financial Studies, 33,3, March 2020

[LINK TO PAPER](#)

[LINK TO VIDEO](#)

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Summary

Combining granular daily data on temperatures across the continental United States with detailed establishment data from 1990 to 2015, the authors study the causal impact of temperature shocks on establishment sales and productivity. Using a large sample yielding precise estimates, they do not find evidence that temperature exposures significantly affect establishment-level sales or productivity, including among industries traditionally classified as “heat sensitive.” At the firm level, they find that temperature exposures aggregated across firm establishments are generally unrelated to sales, productivity, and profitability, but may be related to location. These results support existing findings of a tenuous relation between temperature and aggregate economic growth in rich countries.

Financial Planning: A Research Agenda for the Next Decade

Financial Planning Review, 3 (2) June 2020

[LINK TO PAPER](#)

[LINK TO VIDEO](#)



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Summary

We provide an informed discussion about challenges, opportunities and the future of research and practice in the field of financial planning over the next 10 years. As editors of *Financial Planning Review*, using a mix-methods approach and a survey of subject-matter expert views, we outline what we believe are some of the future key themes of financial planning. We also present an overview of the challenges and opportunities facing researchers who are working to build, inform, and expand the financial planning body of literature. Further, we discuss the financial planning-related topics that would benefit most from increased research and study.

Is the Risk of Sea Level Rise Capitalized in Residential Real Estate?

Review of Financial Studies, 33,3, March 2020

[LINK TO PAPER](#)



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Summary

Using a comprehensive database of coastal home sales merged with data on elevation relative to local tides, Murfin and Spiegel compare prices for houses based on their inundation threshold under projections of sea level rise. The analysis separates the sensitivity of housing to rising seas from other confounding characteristics by exploiting cross-sectional differences in relative sea level rise due to vertical land motion. This provides variation in the expected time to inundation for properties of similar elevation and distance from the coast. In a variety of specifications and test settings, the authors find precisely estimated null results suggesting limited price effects.



Matt Marx

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Bridging Academia and Industry: How Geographic Hubs Connect University Science and Corporate Technology

Management Science 66 (8)

[LINK TO PAPER](#)

[LINK TO VIDEO](#)

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Summary

Innovative firms rely increasingly on academic science, yet they exploit only a small fraction of all academic discoveries. Which discoveries in academia do firms build upon? Bicaud and Marx posit that hubs play the role of bridges between academic science and corporate technology. Tracking citations from patents to approximately 10 million academic articles, they find that hubs facilitate the flow of academic science into corporate inventions in two ways. First, hub-based discoveries in academia are of higher quality and are more applied. Second, firms—in particular young, innovative, science-oriented ones—pay disproportionate attention to hub-based discoveries. The authors address concerns regarding unobserved heterogeneity by confirming the role of firms' attention to hub-based science in a set of 147 simultaneous discoveries. Importantly, hubs not only facilitate localized knowledge flow but also extend the geographic reach of academic science, attracting the attention of distant firms.

Background Noise? TV Advertising Affects Real-Time Investor Behavior

Management Science, Accepted

[LINK TO PAPER](#)

[LINK TO VIDEO](#)



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Summary

Using minute-by-minute TV advertising data covering some 300 firms, 327,000 ads, and \$20 billion in ad spending, we study the real-time effects of TV advertising on investors' searches for online financial information and subsequent trading activity. Our identification strategy exploits the fact that viewers in different U.S. time zones are exposed to the same programming and national advertising at different times, allowing us to control for contemporaneous confounding events. We find that an average TV ad leads to a 3% increase in SEC EDGAR queries and an 8% increase in Google searches for financial information within 15 minutes of the airing of that ad. These searches translate into larger trading volume on the advertiser's stock, driven primarily by retail investors. The findings on retail investor ad-induced trading are corroborated with hourly data from Robinhood, a popular retail trading platform. We also show that ads induce searches and trading of companies other than the advertiser, including of close rivals. Altogether, our findings suggest that advertising originally intended for consumers has a non-negligible effect on financial markets.

Evolution of Consumption: A Psychological Ownership Framework

Journal of Marketing, 85 (1)

[LINK TO PAPER](#)

[LINK TO VIDEO](#)



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Summary

Technological innovations are creating new products, services, and markets that satisfy enduring consumer needs. These technological innovations create value for consumers and firms in many ways, but they also disrupt psychological ownership—the feeling that a thing is “MINE.” The authors describe two key dimensions of this technology-driven evolution of consumption pertaining to psychological ownership: (1) replacing legal ownership of private goods with legal access rights to goods and services owned and used by others and (2) replacing “solid” material goods with “liquid” experiential goods. They propose that these consumption changes can have three effects on psychological ownership: they can threaten it, cause it to transfer to other targets, and create new opportunities to preserve it. These changes and their effects are organized in a framework and examined across three macro trends in marketing: (1) growth of the sharing economy, (2) digitization of goods and services, and (3) expansion of personal data. This psychological ownership framework generates future research opportunities and actionable marketing strategies for firms aiming to preserve the positive consequences of psychological ownership and navigate cases for which it is a liability.



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Dear Enemy: Conflict and Cooperation in a Mobile Phone Standard Development Organization

Strategic Management Review, 1, 2, 2020

[LINK TO PAPER](#)

[LINK TO VIDEO](#)

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Summary

Open innovation ecosystems rely on cooperation among participating firms, but conflict also arises between participants. Yet, there is limited understanding regarding how interorganizational conflict influences ecosystem dynamics. Leiponen et al discuss a theoretical framework that explains how disagreements that reflect unanticipated changes in the value of contested technologies alter public, club, and private benefits for ecosystem participants and, thereby, shape their incentives to cooperate. The authors argue that firms are likely to increase cooperation after conflict arises when they are more technologically interdependent and have fewer outside options, but otherwise are apt to reduce cooperation. Further, the authors propose that ecosystem participants can shape the degree of openness and the boundaries of the ecosystem to manage the implications of disagreements. These arguments align with observations of the “dear enemy” recognition of cooperation among territorial biological species, which, the authors argue, also operates in organizational ecosystems.

Conservation cobenefits from air pollution regulation: Evidence from birds

Proceedings of the National Academy of Sciences of the United States of America (PNAS), 117 (49), November 2020

[LINK TO PAPER](#)



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Summary

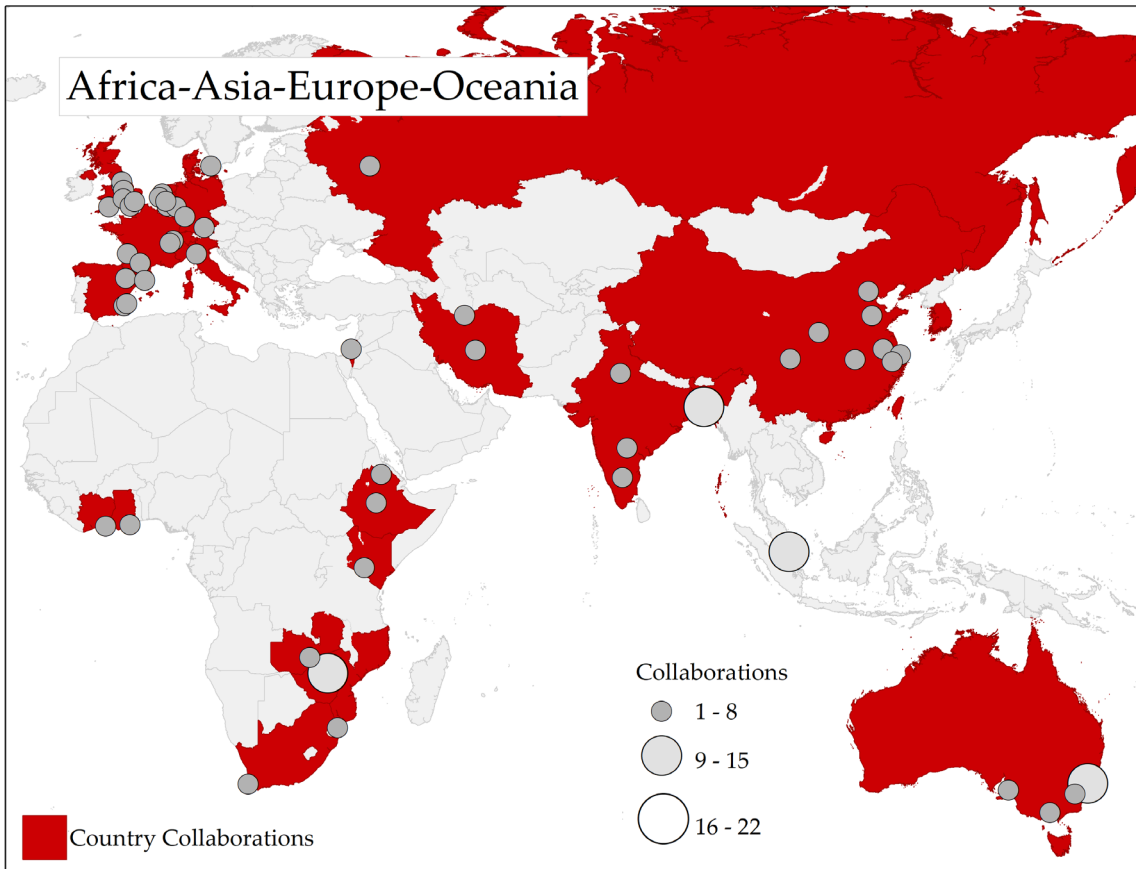
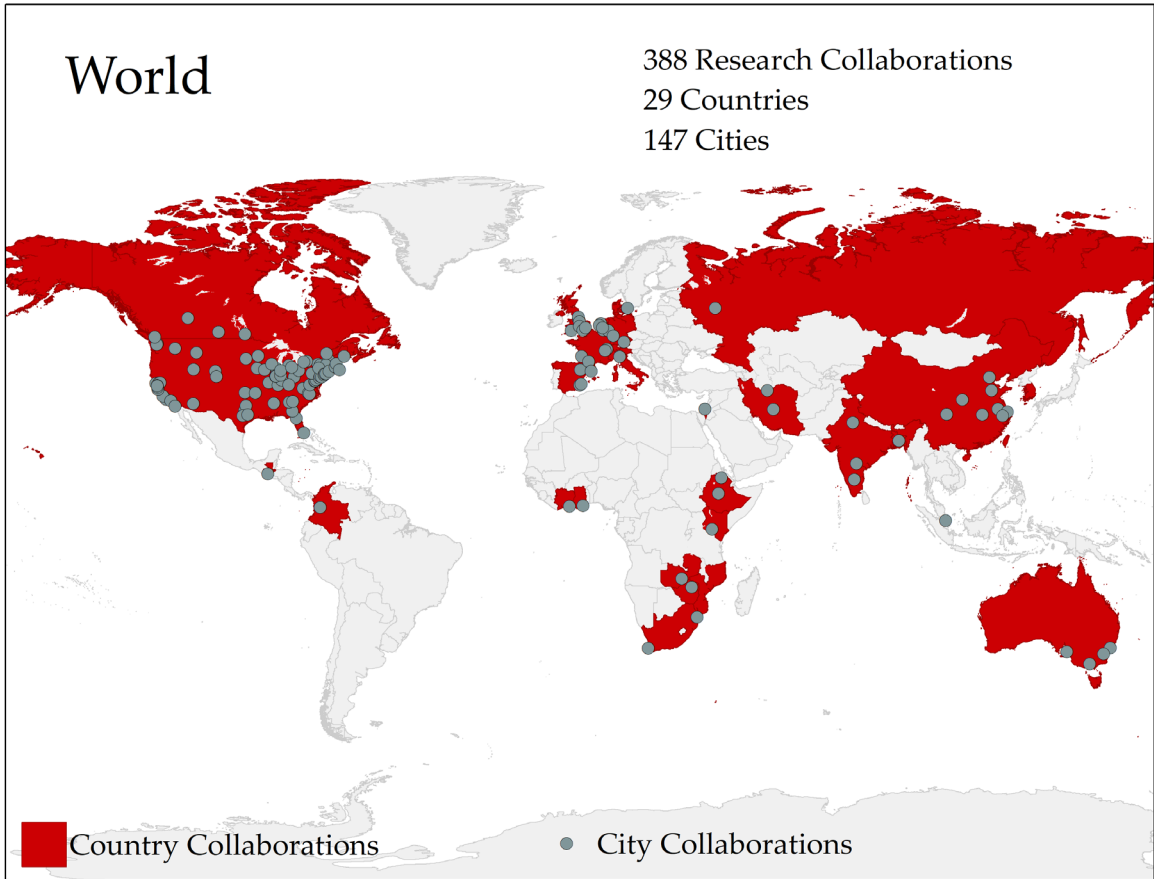
Massive wildlife losses over the past 50 years have brought new urgency to identifying both the drivers of population decline and potential solutions. The authors provide large-scale evidence that air pollution, specifically ozone, is associated with declines in bird abundance in the United States, showing that an air pollution regulation limiting ozone precursors emissions has delivered substantial benefits to bird conservation. The authors' estimates imply that air quality improvements over the past 4 decades have stemmed the decline in bird populations, averting the loss of 1.5 billion birds, 20% of current totals. These results highlight that in addition to protecting human health, air pollution regulations have previously unrecognized and unquantified conservation cobenefits.



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