

MARGINAL MEMOS

Volume 62, Number 31, September 8, 2020
Editor: Sadie Brendalen

Announcements

First day of fall classes!

Happy first day of the 2020 fall semester! We hope everyone can still feel the excitement, despite the unusual circumstances. Make sure to give all of your students a warm welcome!

September 9- Online Agricultural and Resource Economics Seminar

The seminar will be held on Wednesdays at 11 am Central US time.

The seminar this week will be held on September 9, 2020. Jeff Michler and Talip Kilic will present, "Microeconomic Impact of COVID-19 in Africa"

If you would like to register, see the OARES website [here](#), and make sure to sign up with your institutional address. The OARES website includes a schedule of forthcoming talks as well.

Virtual Finance Brown Bag Seminar

Wednesday, September 9, 12:30-1:30 p.m.

PRESENTER & AUTHOR

Dan Su

Title: Shrinking Boundary of the Invisible Hand

Abstract: Technological innovation might impair the price mechanism by shrinking its boundary endogenously. I introduce entrepreneur-manager assignment and corporate risk management into a standard continuous-time heterogeneous agent model with incomplete markets. The price mechanism is bounded by corporate internal savings as there is no market to equalize the marginal value of internal resources across firms. In this way, the firm-(financial)market boundary exists in general equilibrium, and it is endogenously determined by a set of Neumann boundary conditions of certain partial differential

equations originating from the entrepreneur's optimal choice. The scale-related technical change increases the earnings-quality gradient sharply in the right tail, which not only generates the rise of superstar firms but also makes these superstars inherently riskier. This income and risk redistribution nature of technological development leads to an expansion of the internal financing region, which breaks the link between investment and profitability, disconnects the marginal product of capital and interest rate, and shrinks the boundary of the invisible hand. Quantitatively, on average, the full model can explain 75% of recent macro-finance trends.

PRESENTER & AUTHOR

Ramin Hassan

Title: Income Inequality Risk and Asset Prices

Abstract: Using a long time-series of U.S. income distribution, I find that a macroeconomic risk factor based on the growth of income inequality exhibits a significant explanatory power for expected returns across a range of equity characteristic portfolios. The price of risk is positive: the market pays higher prices for assets that hedge against decreased inequality. This is consistent with the prediction of a model where overlapping generations of agents have heterogeneous preferences in a pure-exchange economy.

ZOOM WEBINAR INFO:

<https://umn.zoom.us/j/98965315978>

Passcode (for web): 6asr\$w

+1 651 372 8299

Meeting ID: 989 6531 5978

Passcode (for dial-in): 392418

[Zoom link](#)

Request for Proposals- Agricultural Growth, Research and Innovation (AGRI) program

The MN Department of Agriculture just released an RFP to contract for an evaluation of the Agricultural Growth, Research, and Innovation program. Proposals must be received no later than **September 29, 2020 at 4:00 p.m.** The contract is expected to last from October 15, 2020 to February 28, 2021. If you would like to review the full RFP, please email Sadie Brendalen at will1945@umn.edu.

CFANS Mentor Program

The CFANS Mentor Program is now accepting applications. As a mentor, you will share valuable career knowledge with your mentee, connect with your mentee during monthly meetings virtually/in-person, provide feedback on your mentee's career outlook and

resume, and if possible, host your mentee at your workplace for a half-day job shadow.
Apply online by September 28th.

[Apply online](#)

Jobs

Agricultural Economist: Department of Agriculture, Washington D.C.

This position is located within the Agricultural Marketing Service (AMS), Dairy Program (DP), Economics Division. The position is responsible for impact analyses of changes to Federal milk marketing orders; analyses of other dairy-related programs and policies; short-term and long-term projections of dairy supply, demand, international trade, and prices; writing and review of dairy-related studies, working papers, briefing papers, and talking points; and decision support for the dairy industry.

[Apply online](#)

Research Analyst: Wharton School, University of Pennsylvania

Professors Arthur van Benthem and Susanna Berkouwer at the Wharton School are seeking a Research Analyst to support quantitative research in economics. Most research will be in the field of energy and the environment in the U.S. and abroad, including: efficiency losses from imperfect environmental policies, energy efficiency, fuel economy standards, infrastructure construction, the economics of renewable energy, and carbon taxes under market failures. Job responsibilities include performing a variety of statistical and econometric analyses, cleaning and analyzing data, writing research reports, conducting background research and literature reviews, identifying and obtaining secondary data, and coding survey questionnaires for field activities. Independent thinking, a thorough understanding of economics or related disciplines, and self-motivation are highly valued in performing these functions.

[Apply online](#)

Graduate Research Assistant: College of Agriculture, Kansas State University

A graduate research assistantship is available for a student to assist with refining an agricultural decision support tool to inform and facilitate the adoption of agricultural innovations that jointly improve agricultural productivity, environmental, and economic outcomes. The student will be based at Kansas State University but the case study will

utilize on-going research and partnerships in Senegal. The student will work as part of a collaborative team across modeling, agronomy, and socioeconomics. The candidate will complete coursework necessary for an M.S. degree in Agronomy or Agricultural Economics with a thesis topic related to the research described above.

Applicants should send a statement of educational and career objectives, resume, transcripts (plus TOFEL scores for international applicants), and three references to:

Dr. Zachary Stewart

Research Assistant Professor

108A Waters Hall

Manhattan, KS 66506

712-579-5419 (mobile); zachstewart@ksu.edu

Departmental Publications

Çakır, Metin, Xiangwen Kong, Clare Cho, and Alexander Stevens. 2020. "Rural Food Retailing and Independent Grocery Retailer Exits." *American Journal of Agricultural Economics*, August, Early View. <https://doi.org/10.1111/ajae.12131>.

Li, Zongyu, R. Karina Gallardo, Vicki A. McCracken, Chengyan Yue, Ksenija Gasic, Gregory Reighard, and James R. McFerson. 2020. "U.S. Southeastern Peach Growers Preferences for Fruit Size and External Color versus Resistance to Brown Rot Disease." *HortTechnology*, August. <https://doi.org/10.21273/HORTTECH04667-20>.



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