Economics of Ethanol: Costs, Benefits, and Future Prospects of Biofuels

Cohosted by
Federal Reserve Bank of St. Louis
Washington University’s
Weidenbaum Center on the Economy, Government, and Public Policy and
International Center for Advanced Renewable Energy and Sustainability

November 13-14, 2008

November 13, 2008
Eric P. Newman Education Center
Great Room A

6:30 p.m.  Pre-dinner cocktails

7:00 p.m.  Dinner for Conferees, Washington University representatives, Federal Reserve Bank of St. Louis Representatives, etc.

November 14, 2008
Eric P. Newman Education Center
Main Auditorium

7:30-8:15 am  Registration and Continental Breakfast

8:15-8:30 am  Welcome, Introduction, Opening Remarks

8:30-9:30 am  Keynote Address: The U.S. Ethanol Industry  
Speaker:  Mark Stowers, VP of Research and Development, POET

Brief history and evolution of the ethanol industry in the U.S.  Challenges facing the industry.

9:30-10:45 am  The Profitability of Corn Ethanol Processing  
Moderator:  Mike Edgerton, Monsanto
Speaker:  Paul Gallagher, Department of Economics, Iowa State University

Discuss the production and scale of corn ethanol processing. Characteristics of a profitable ethanol plant - location of firms, size of firms, transportation costs of inputs, etc.  Efficient production processes. Provide some statistics on firm location, size, and profitability across the Midwest. What are the challenges facing ethanol producers?

Discussant:  Martha Schlicher, VP Business & Tech., GTL Resources

10:45-11:00 am  BREAK

1Confirmed
11:00-12:15 pm  The Economic Consequences of Corn Ethanol as a Fuel Source  
Moderator:  Thomas Garrett, Federal Reserve Bank of St. Louis¹  
Speaker:  Douglas Tiffany, Dept. of Applied Economics, University of Minnesota¹  

*Environmental effects of production, energy balance with fossil fuels, effects on food prices, subsidy rate relative to oil/gas, and impact on farmer production decisions (e.g. cattle vs. corn).*  

Discussant:  Max Schulz, Senior Fellow, Manhattan Institute for Policy Research¹  

12:15-1:15 pm  Lunch  

1:15-2:45 pm  The Impact of the Ethanol Boom on Rural America  
Moderator:  Murray Weidenbaum, Weidenbaum Center, Washington University in St. Louis¹  
Speaker:  Jason Henderson, FRB Kansas City – Omaha Branch¹  

*Provide evidence on the economic effects of the ethanol boom on small town in the Midwest. Is ethanol a viable, long-run prospect for economic development?*  

Discussant:  Seth Meyer, FAPRI, University of Missouri – Columbia¹  

2:45-3:00 pm  BREAK  

3:00–4:30 pm  Panel Discussion – The Future of Biofuel  
*Can corn ethanol be a long-run viable industry in the U.S.? Discuss the political economy of ethanol subsidies and regulation. What are the prospects for other biofuels, such as switchgrass, algae, etc.?*  

Moderator:  Himadri Pakrasi, I-CARES¹  
Panelists:  Jerry Taylor, CATO Institute¹  
Rick Tolman, CEO, National Corn Growers Association¹  
Nicholas Kalaitzandonakes, Dept. of Agricultural Economics – University of Missouri – Columbia¹  

4:30-5:30 pm  Reception  

¹Confirmed