

**Professor Jeffrey Wagner presented the recipient for the award in
Economics in the Liberal Arts curriculum.**

I am pleased to nominate Luiz Freitas's paper regarding the Union Carbide firm for a Kearsse Award. First, I would like to note that this is Luiz's second Kearsse Award in two years (and from two different departments). I was really proud to be here last year when Luiz received a Kearsse Award for his cultural anthropology paper. Luiz wrote the present paper during my Spring 2005 Environmental Economics course. The scope of the assignment was to explore the environmental economic aspects of a firm's annual 10-K disclosure, required of publicly-traded firms in the United States by the Securities and Exchange Commission. Luiz presents a thorough analysis of how this firm optimally navigates the challenges presented by the intersection of current government regulations and industry-imposed regulations. In contrast to much current policy, Luiz argues persuasively that firms in this particular industry would likely pollute less *and* produce goods at lower costs if traditional output taxes were replaced with market-based pollution control instruments. He identifies multiple areas for future research, and I encourage Luiz to pursue those.

Let me conclude by stating that Luiz is now writing at the peer-review journal level, and he is, more generally, a faculty member in training—with his senior year ahead of him yet. We just returned from co-presenting one of our two co-authored papers at an economics conference in Chicago. After we presented our paper, people stopped Luiz in elevators, corridors and in the lobby of the conference hotel to tell him how impressed they were with his presentation. I am not too proud to admit that it wasn't long before "Freitas and Wagner" became known at the conference as "Freitas and what's-his-name." I want to say in front of so many people who respect the work and character of Luiz Freitas that I am really proud of you, and that in strong part because of our work together, this has probably been the most rewarding year of my professional career. Full speed ahead!