



2005 PREISM workshop – Washington, D.C.

## Comparing Modeling Approaches for Invasive Species Management

**Grant: Integrating Economics and Biology  
for Bioeconomic Risk Assessment/Management  
of Invasive Species in Agriculture**

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## Some Current Problems on Rangeland

- Perennials vs. Annuals
  - Buffalo Grass and Blue Grama
  - Cheat grass and Wheatgrass
- Grasses vs. Invasive Aliens
  - Leafy Spurge, Canada Thistle and Yellow Star Thistle
  - BLM estimates 14% growth rate
  - 140 million acres will be infested by 2010



What does leafy spurge look like?





# Leasing Arrangements

- Lease Price Based on Total Potential Forage
- No Consideration of Species Composition



## Previous Work

- Huffaker and Cooper, 1995
  - Social Optimum, dynamic, weed and grass only
- May et al., 2002
  - Role of lease length on productivity
- Tschirhart, 2000, 2002
  - GEEM, fish and plants
- Finnoff and Tschirhart, 2005
  - Physiological traits




# Approach to the Problem

- Ecosystem Model
  - General Equilibrium Ecosystem Model
- Overlay Economy
  - Dynamically optimizing ranchers with differential lease lengths
- Overlay space
  - Interacting Agents



# Ecosystem Model

- Begin with individuals rather than population level dynamics
- Each representative agent acts as if maximizing fitness net energy
- Within a trophic layer, species compete competitively with energy “prices” determined across trophic layers


$$R_i(e, x_i) = rex_i s_i - f(x_i) - \beta_i$$

# Plants' Problem

- Plant objective function

$$R_i(x_i | SEL) = r(1 - SEL)x_i s_i - f(x_i) - \beta_i$$

- Two limiting resources, space and nitrogen

$$f_i(x_i, N) = \alpha_i x_i^2 \left( (N - N_i)^2 + 1 \right)$$

- Determination of SEL

$$\sum_i n_i a_i x_i \leq A \quad \perp \quad SEL \geq 0$$





# Plant Population Update

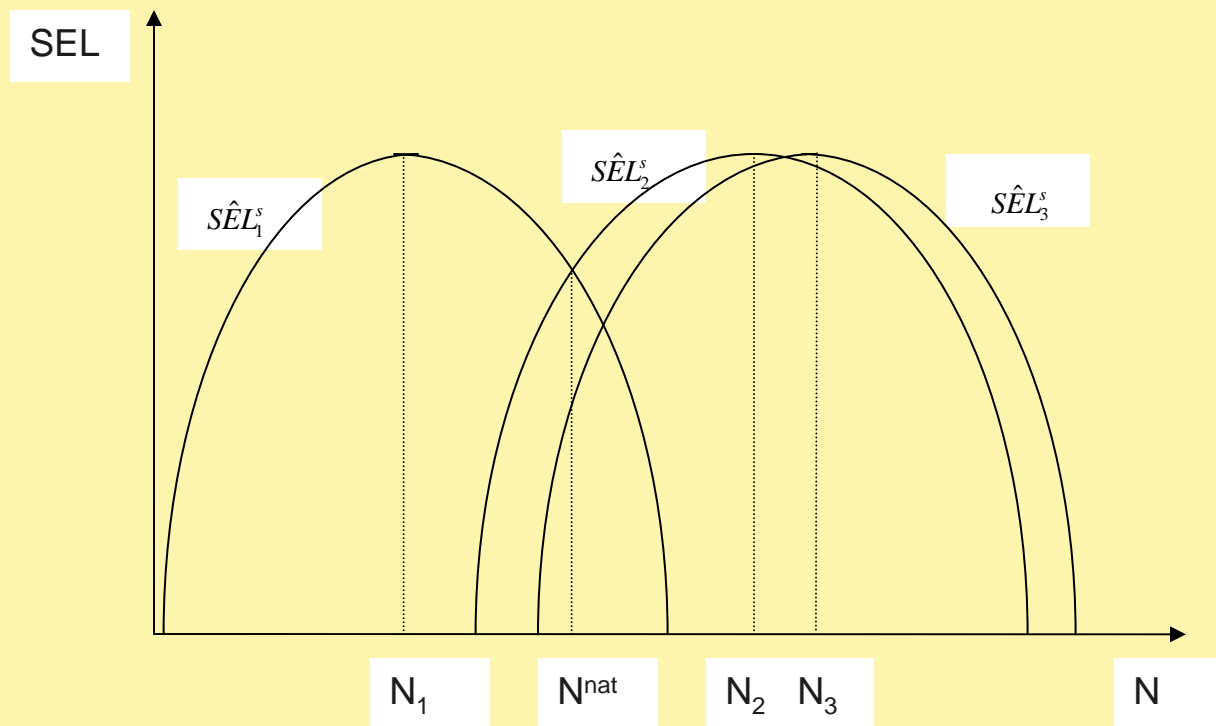
- Updating Equation

$$n_i^{t+1} = n_i^t + n_i^t \frac{1}{l_i} \left[ \frac{\hat{R}_i(\cdot) + r_i}{r_i^{ss}} - 1 \right]$$

- Coexistence

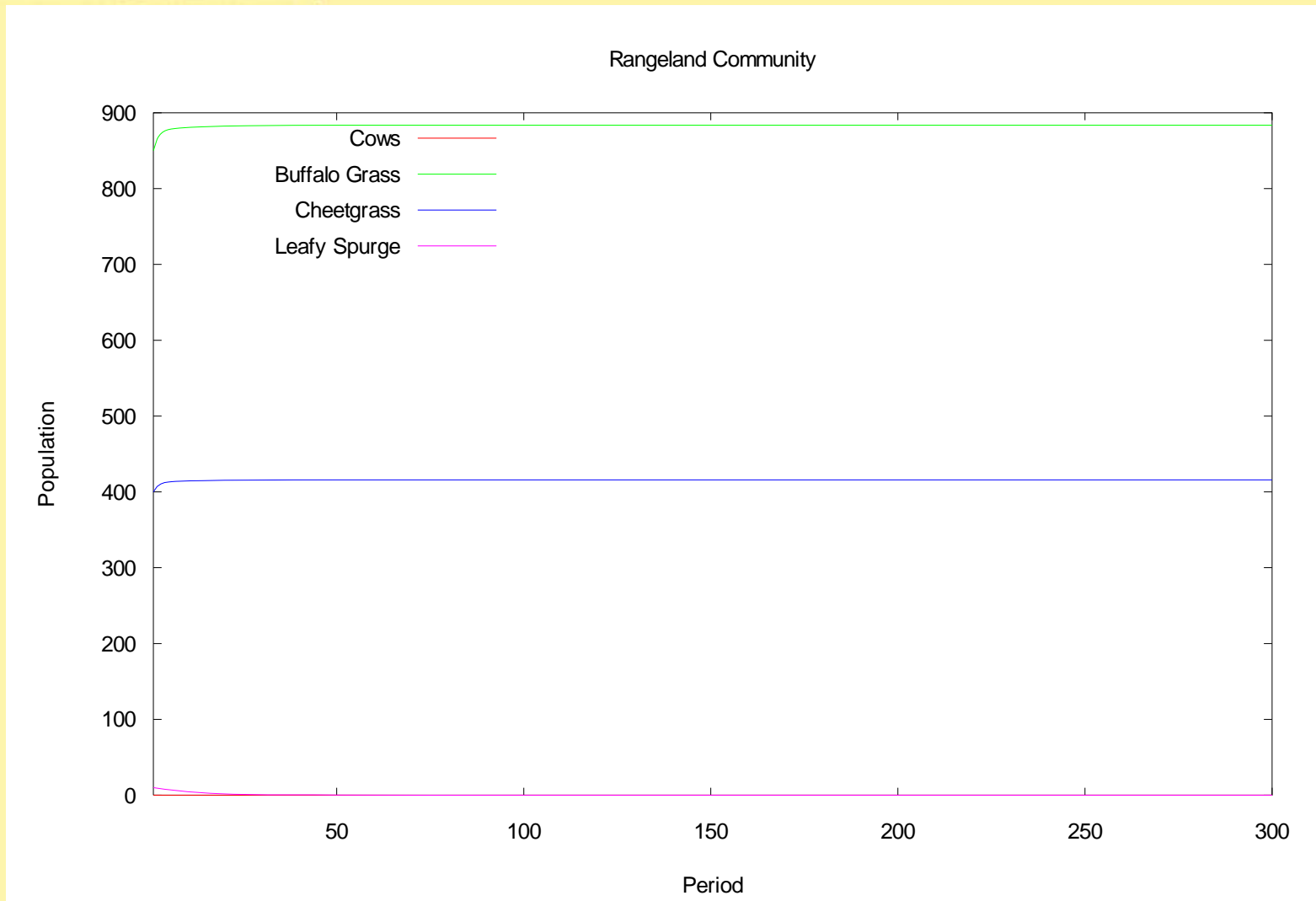


# Relationship between space and nitrogen





# Ecosystem composition without stocking





# Cattle Introduction

- Cattle objective function

$$R_k((x_{k1}, x_{k2}) | (e_{k1}, e_{k2})) = \sum_{i=1}^2 [e_i - e_{ki}] x_{ki} - f^k \left( \sum_{i=1}^2 x_{ki} \right) - \beta_k$$

- Change in plant objective function

$$R_i(x_i | SEL) = r(1 - SEL)x_i s_i - f(x_i) - \beta_i - e_i [1 + t_i e_{ki}] y_{ik}$$

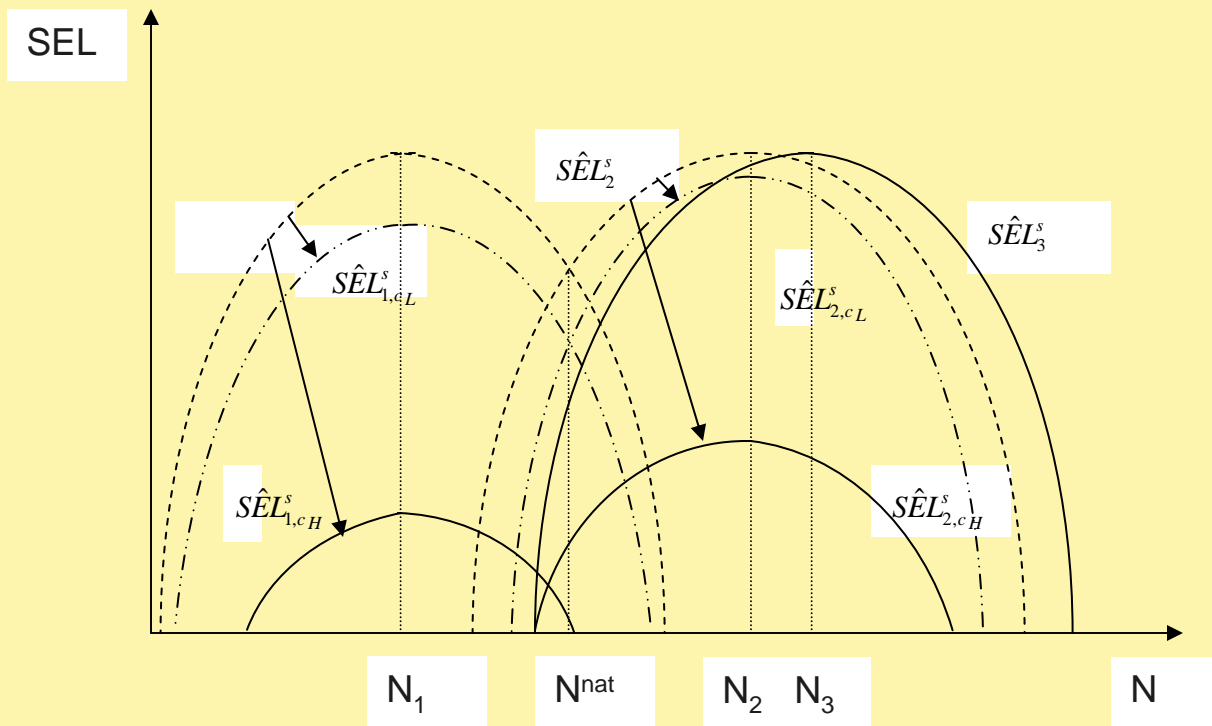
$$y_{ik} = d_{ik} (n_k) x_i^{1/2}$$

- Market Clearing

$$n_k x_{ki} \leq n_i y_{ik} \perp e_{ki} \geq 0$$

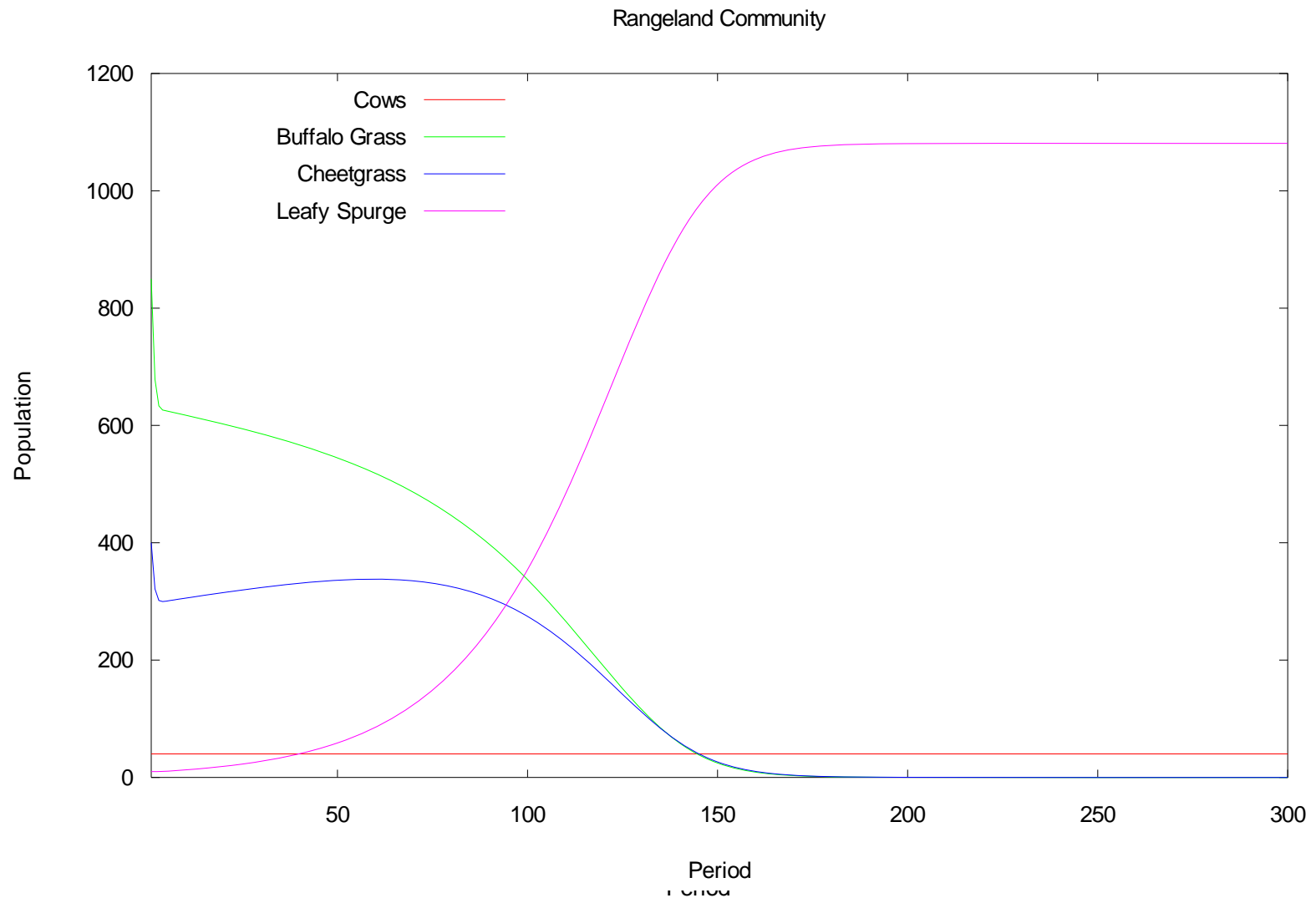


# Impact on space-nitrogen relationship





# Ecosystem Composition with fixed stocking rates





# Rancher Stocking Problem

- Maximize value added (weight gain) over planning horizon

$$\max_{n_k^t} \sum_{t=1}^T \delta^{t-1} \left( n_k^t \left[ P^t \gamma_k R_k^t - C^t \right] \right)$$

*s.t.* GEEM dynamics,  $n_1^1, n_2^1, n_3^1$



# Two Period Model

$$\max n_k^1 P \gamma_k R_k^1 + n_k^2 P \gamma_k R_k^2$$

- FOC

$$P \gamma_k R_k^1 + n_k^1 P \gamma_k \frac{dR_k^1}{dn_k^1} + P \gamma_k R_k^2 \frac{dn_k^2}{dn_k^1} + n_k^2 P \gamma_k R_k^2 \frac{dR_k^2}{dn_k^1} = 0$$

- Expanding the second term

$$n_k^1 P \gamma_k \left( \frac{\partial R_k^1}{\partial e_{k1}^1} \frac{\partial e_{k1}^1}{\partial n_k^1} + \frac{\partial R_k^1}{\partial e_{k1}^1} \frac{\partial e_{k1}^1}{\partial SEL} \frac{\partial SEL}{\partial n_k^1} + \frac{\partial R_k^1}{\partial e_{k2}^1} \frac{\partial e_{k2}^1}{\partial n_k^1} + \frac{\partial R_k^1}{\partial e_{k2}^1} \frac{\partial e_{k2}^1}{\partial SEL} \frac{\partial SEL}{\partial n_k^1} \right)$$





## Two Period Model Cont

- Expand the fourth term

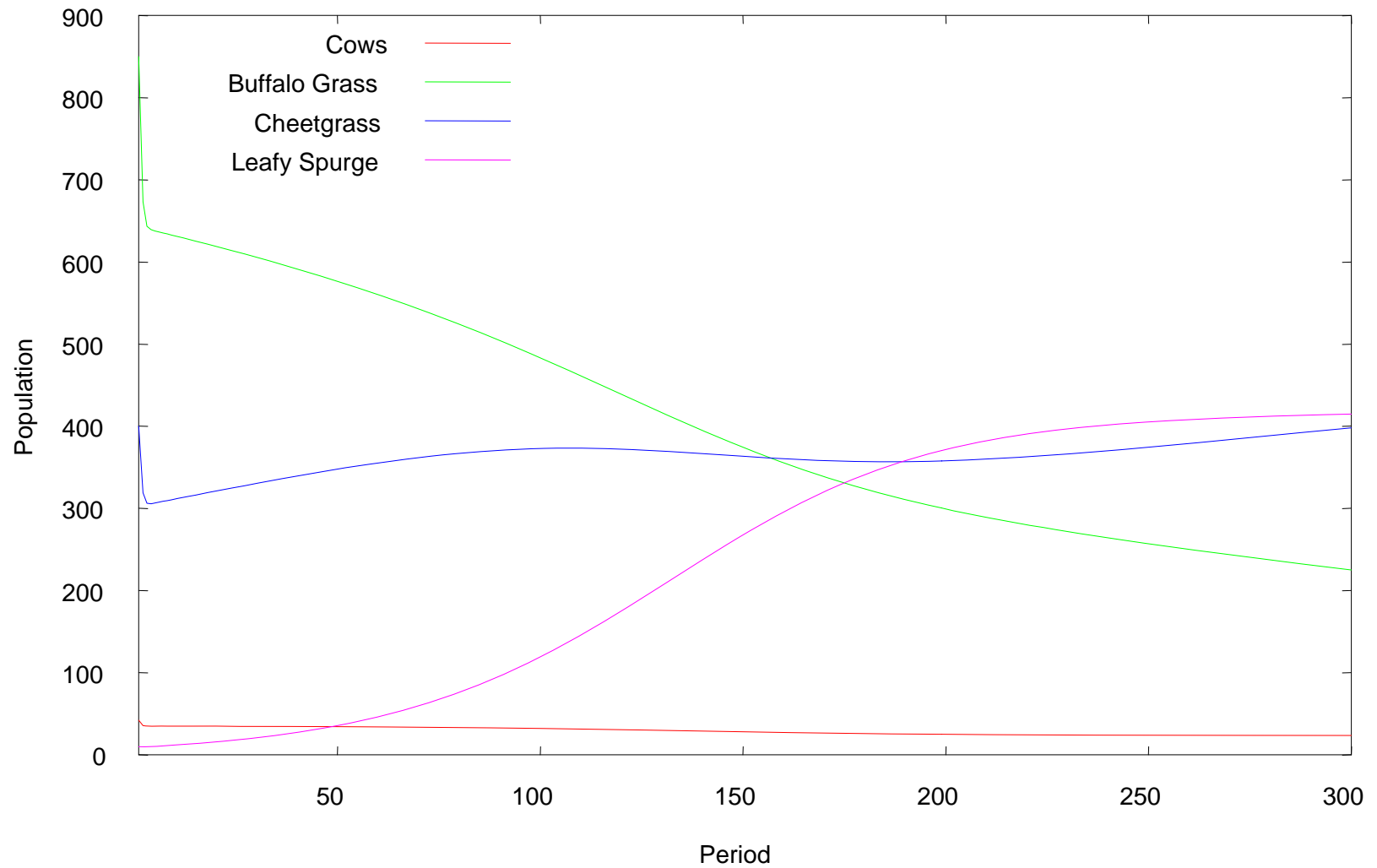
$$n_k^2 P \gamma_k R_k^2 *$$

$$\left( \frac{\partial R_k^2}{\partial e^2} \left[ \frac{\partial e^2}{\partial n_1^2} \frac{\partial n_1^2}{\partial R_1^1(e^1)} + \frac{\partial e^2}{\partial n_2^2} \frac{\partial n_2^2}{\partial R_2^1(e^1)} + \frac{\partial e^2}{\partial n_3^2} \frac{\partial n_3^2}{\partial R_3^1(e^1)} \right] \frac{\partial e^1}{\partial n_k^1} \right)$$



# Full Model

## 1 Year Leases





# Growth and impacts of Leafy Spurge

Lease Length	Estimated Spread Rate	R <sup>2</sup>	Terminal Biomass	% Change in Profits from Private
Private	0.0044	0.8412	45.19	-
100	0.0046	0.8602	46.97	-0.256
20	0.0056	0.913	56.44	-1.702
10	0.0067	0.943	69.18	-3.778
5	0.0085	0.9445	98.80	-8.132
3	0.0101	0.9441	147.89	-14.313
1	0.0119	0.8353	289.14	-39.110

# Optimal Control Simulation Model





Figure 1: Native Grass and Leafy Spurge

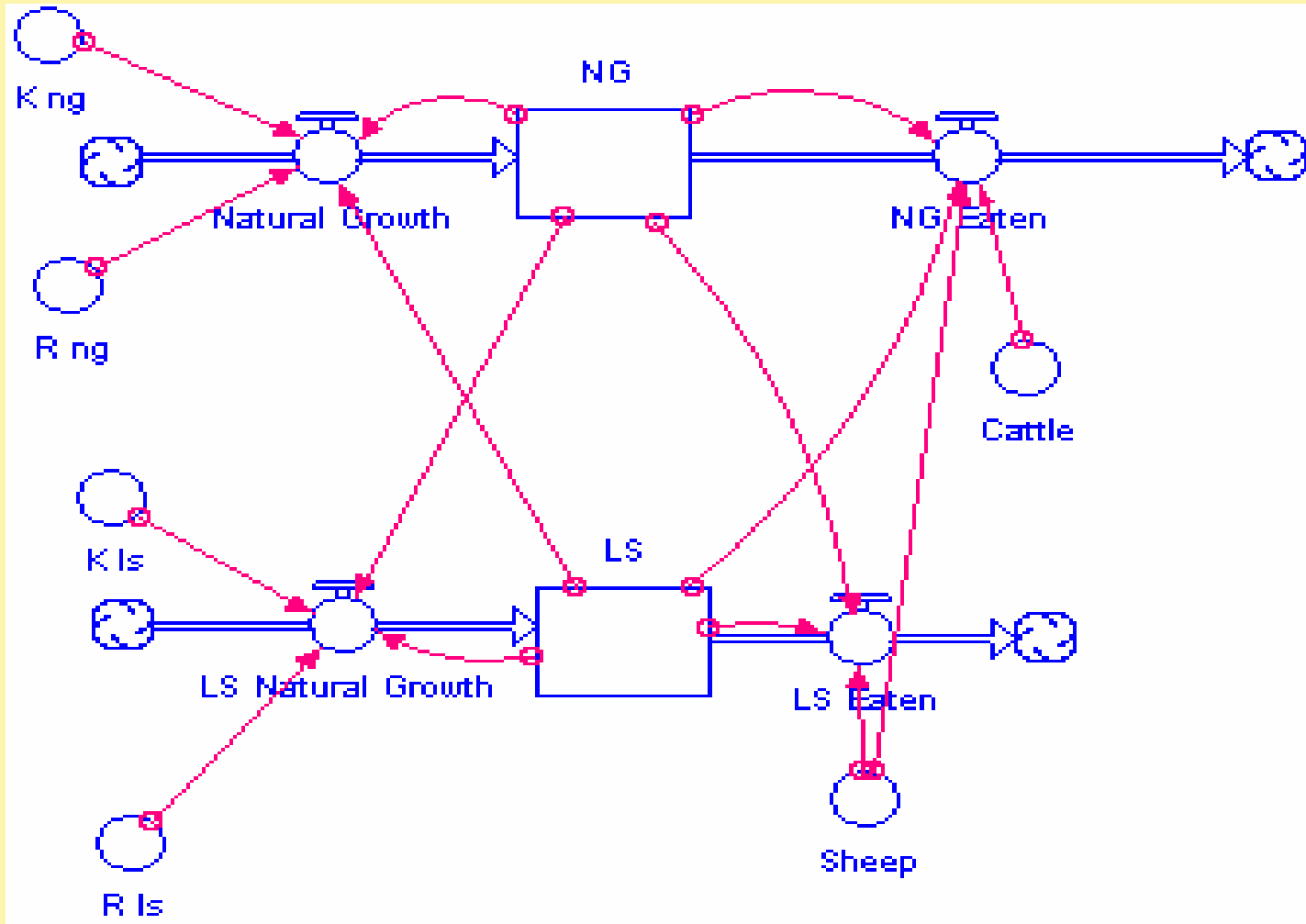




Figure 2: Carrying Capacity

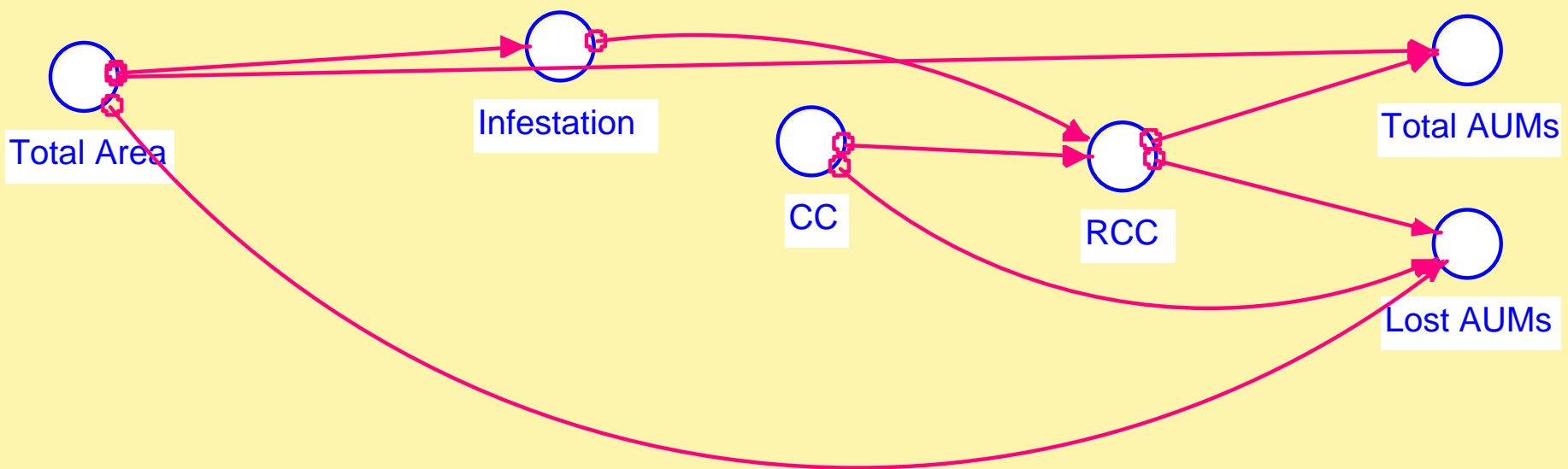




Figure 3: Thunder Basin Benefits

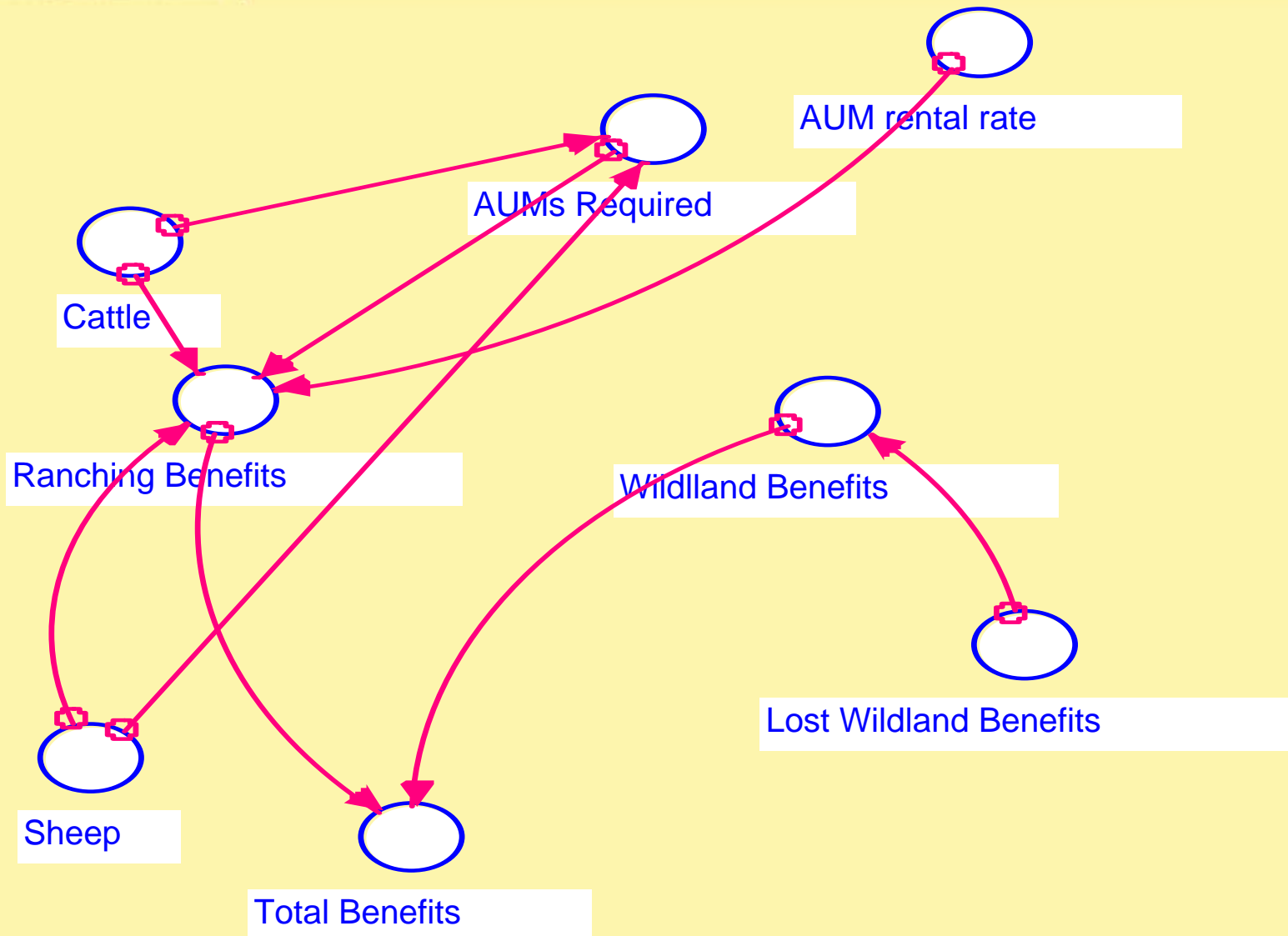




Figure 4: Full Simulation Model

