Message from the Department Head...

I am eagerly looking forward to taking on the job of Department Head. I am greatly honored to be selected for this position. The Department of Agricultural Economics at Purdue is an outstanding department that produces excellent teaching, research and public service programs. Every member of the department I’ve met is enthusiastic about their work and the future of the department. My number one objective is to build on the success of the department’s programs and to make sure that more people throughout Indiana and the world know about, are involved with, and can take advantage of the programs, people and outputs of the department.

I look forward to meeting and getting to know alumni and friends of the Department in the coming years. I expect to be quite visible throughout the State of Indiana and still not be a stranger at home to my husband and two high school age children. I would very much like to hear from you any suggestions you may have for how to better serve you and others. Wally Tyner has left very big shoes, but with your help and the help of all members of the Department, I will do my best to continue the tradition of excellence in the Department of Agricultural Economics at Purdue.

Sarahelen "Sally" Thompson

Department Portrays National Leadership
With Plan to Rebuild Kabul University

"Terrorism really flourishes in areas of poverty, despair, and hopelessness. We have to show people who might move in the direction of terrorism that there is a better way"

- United States Secretary of State Colin Powell

In February 2002, Purdue University hosted the Afghanistan Consultation Workshop. The workshop was attended by twenty Purdue faculty and administrators, eleven Afghan experts, and Dr. Sherief Foyez, Afghan Minister of Higher Education. Representatives from the schools of agriculture, engineering and technology attended the workshop.

The School of Agriculture was represented by Dr. David Sammons, Associate Dean and Director of International Programs in Agriculture; Dr. Wallace Tyner, Professor and Department Head of Agricultural Economics; and Dr. Kevin McNamara, Professor of Agricultural Economics.

The workshop was the first step in re-establishing a link between Purdue University and Kabul University. Rebuilding Kabul University will give the young people in this Central Asian nation greater access to knowledge providing better leadership to support development throughout Afghanistan.

Dr. Wallace Tyner commented, "Two main roots of terrorism are poverty and deprivation of opportunity. We hope we will provide some basis for helping reduce poverty and certainly for reducing deprivation of opportunity." The objective of the workshop was to obtain advice from Afghan experts in developing a realistic rebuilding plan for Kabul University.

The workshop concluded with Dr. Foyez signing an agreement to work with Purdue in rebuilding Kabul University. This agreement allows the university to seek funding from federal and international agencies.

The 10-year rebuilding effort began with a fact-finding trip by three Purdue faculty members in late March. McNamara, who had served as a Peace Corps volunteer in Afghanistan in the 1970’s, represented the School of Agriculture.
Note from the Outgoing Department Head...

It has been an honor and a pleasure to serve as Head of the Department of Agricultural Economics at Purdue for the past thirteen years. I have enjoyed watching the faculty, students, and staff of this department accomplish amazing things. Over the years I have always known I could count on faculty to pitch in to teach classes for which a vacancy arose, to work together on an important research or extension project, or to do those extra service things that make a department function so well. Not only are the faculty highly competent in their respective fields, but they are also real team players.

We also have outstanding professional and clerical staff. The professional staff have important responsibilities in coordinating our graduate, undergraduate, and EMBA programs, working with extension programs, doing quality research collaboratively with faculty, providing computer support for the department and EMBA programs, supporting the outstanding programs of our Center for Food and Agricultural Business and Global Trade Policy Analysis Center, and in many other areas. Our clerical staff take pride in their work and in the mission of the department and are continually upgrading their skills to better serve the department in the future.

The department has made great strides over these years, and it is due to the staff’s hard work and team spirit. Our national rankings have gone up. Many faculty, students, and staff have received awards for their outstanding work. Our teaching, research, and extension faculty and programs have been recognized as among the best anywhere. We are very active internationally. Our faculty has become more diverse. Review teams have praised the department. Yet, even with all the accomplishments and awards, we have never stood still. We have always sought to improve and innovate. Continuous quality improvement in this department is not just a set of words, but a way of life.

I also appreciate the loyal support and friendship of department alumni and friends. You have contributed hundreds of thousands of dollars, and you have provided support in many other ways as well.

I am thrilled to have the new leadership of Sally Thompson. She will do a tremendous job. I ask you to provide her the same wonderful support you did for me over the years.

Wally Tyner

KABUL UNIVERSITY (cont. from page 1)

McNamara commented, "I was stunned by the level of destruction. Yet, students --including women-- are flocking back to the University. The level of optimism is high. They want to move on. They want to rebuild. They are extremely excited that change is coming."

The three faculty met with Afghan officials to assess the university's needs after 23 years of civil war, Soviet occupation and Taliban rule left the university in devastation. McNamara said, "It's a very different place than it was 30 years ago."

They found Kabul University's inside and outside walls riddled with bullet holes; laboratories with no equipment; and dormitories with no running water, no lights, and very cramped living conditions. Even in the midst of such destruction, about 20,000 individuals have completed entrance exams for next semester. Kabul officials hope to enroll about 4,000 - 5,000 students, including many women who were not allowed to attend college under Taliban rule.

The next step in the rebuilding effort is to prepare a proposal which will be submitted to various international and national funding sources. After viewing the destruction, the faculty agreed, "This is absolutely the right thing to do."

FARM MANAGEMENT CLUB SPENDS SPRING BREAK

EXPLORING BRAZILIAN AGRICULTURE

The Farm Management Club, accompanied by Dr. Bob Taylor and two departmental alumni, Ryan Johanningmeier, B.S.’97, and Richard Halderman, B.S. ’91, traveled to Brazil during Spring Break. The students wanted to better understand Brazil’s future in agriculture.

The group began their journey with a day of relaxation including a moonlight river ride, spotlighting for crocodiles and venturing into the wetlands on horseback.

The agricultural tour began the next day and included visits to several different facilities: an 18,000 acre soybean, cotton and coffee farm; a 5900 acre cotton farm; a 23,000 acre soybean farm; a major cattle breeding operation; a John Deere dealership; and a seed research laboratory.

Eric Scholer, a senior in Agricultural Economics, summed up the trip for the club with this statement,"The trip was an experience that none of us will ever forget. We would all enjoy the opportunity to go back to Brazil."
Mr. Nels Ackerson, B.S. ’67, is Founder and Chairman of The Ackerson Group. While at Purdue, he served as Student Body President, FarmHouse Fraternity President, and National FFA President. After completing his B.S. in Agricultural Economics from Purdue, he earned a M.S. in Public Policy from Harvard University and a Juris Doctor degree from Harvard Law School.

He returned to Indiana to practice law, but then began to focus his career on international law. Before starting his own law firm, Mr. Ackerson had a career that included a partnership in a large international law firm where he practiced law on five continents. He opened and managed the first American law office in Egypt, represented clients in matters in 30 countries, tried lawsuits from California to New York, and served two years as Chief Counsel of the U.S. Senate Subcommittee on the Constitution.

In recent years, he has become known for his nationally prominent litigation involving the nation’s largest telecom companies, railroads, and the federal government. This litigation has created a number of landmark decisions in several state and federal courts.

Ackerson and his wife, Sharon Carroll, have four children. Although he has a home in Maryland, near his Washington D.C. office, and an apartment in Indianapolis, he and his sister still own the family farm in Westfield, Indiana.

As Ackerson thinks back about his experience at Purdue, he states, "The Purdue School of Agriculture shaped my career plans and opportunities. I was constantly inspired to do my best, and I received a great deal of encouragement. In addition to a great interest in public policy, the school offered close relationships and a family-type culture not common in large universities."

Mr. Ted McKinney, B.S. ’81, is Manager of Government and Public Affairs, Global Leader, Public Affairs - Biotechnology, Dow Agrosciences. After earning the 1981 G.A. Ross Award for Outstanding Male Graduate at Purdue University, he began his career as an Ag Chemical Sales Representative and Marketing Communications with Elanco Products Co. In 1986, he became Senior Corporate Communications Associate with Eli Lilly and Co. He has been in his current position with Dow Agrosciences since 1990.

He still remembers receiving his first blue ribbon in photography at the Tipton County Fair at the age of 10. He recalls, "It is incredible what that will do for enthusiasm and motivation for the future." As a 10-year 4-H member, he is still very loyal to the organization and serves on the Indiana 4-H Foundation Board. He also led the committee that brought the National FFA Center to Indianapolis, IN. He says, "I got so much out of those two organizations, I feel there is some duty to give back. 4-H teaches involvement, skill development, interacting with others and various qualities. FFA is unequivocally the premier youth development organization in the world."

The father of three, McKinney spends his spare time with his children and their activities - including 4-H. He comments, "I don’t miss many of their activities - that’s important to me." As far as his Purdue memories, McKinney says, "Purdue had a great deal to do with shaping who I am in two major areas - the course content and campus activities. Education is certainly books and study, but it’s also interaction with people. This is a people world no matter what your life’s desires."
EXECUTIVE INSTITUTE FOR COMMERCIAL PRODUCERS

- A Collaborative Effort Between Purdue University & Farm Credit Services of Mid-America

Executive Institute for Commercial Producers (EICP), a challenging, farm business management program, is a collaborative effort between Purdue University and Farm Credit Services of Mid-America. The participants are large, innovative farmers who are actively involved in building or taking over a successful, full-time farm operation.

Mike Boehlje, Professor of Agricultural Economics and a EICP Program Coordinator, says, "The current environment places significant demands on the large commercial producer. To be successful in the future, farm business managers must take on the role of a general manager. They must look at the business as a whole and have a vision of where the business is going."

The one-year program consists of four two and a half day workshops which assists farmers in enhancing their management skills and profitability. The workshop series includes the following topics:

- **Financial Management** - Participants use their own financial records to calculate a variety of ratios in four areas: profitability, liquidity, solvency and financial efficiency.

- **Strategic Positioning** - Farmers must choose a strategic position within the changing marketplace in order to gain advantages over competitors. In this workshop, discussion culminates in way of analyzing potential growth markets and exploring the possibilities of other profitable ventures.

- **Risk Management** - The AgRisk program is used to examine strategies for managing risk, as well as assessing and negotiating contracts.

- **Business Planning** - During this workshop, farmers develop a complete business plan for their operation -- the focal point of the entire program.

Phil Kimmel, Senior Vice President of Business Development at Farm Credit Services, says, "The Executive Institute is another way of demonstrating that FCS has much more to offer than just a financial transaction - our staff is prepared to work closely with the decision makers of the farming operation."

Commercial producers were identified as candidates and then invited by special invitation to join the first EICP Class by the President and CEO of Farm Credit Services, Donnie Winters. The first 36 participants representing 21 farming operations graduated in February 2002 while the second EICP class began in November 2001. The third class started the EICP program a few weeks ago.
DR. JANET AYRES EMPHASIZES THE IMPORTANCE OF LEADERSHIP

IN THE CLASSROOM & AROUND THE WORLD

Dr. Janet Ayres, Professor in the Department of Agricultural Economics, has kept an even busier schedule since being asked to share her teaching skills and leadership experience in the classroom and abroad. She began the semester teaching a senior level leadership class on campus after just returning from the rural region of Novgorod, Russia where she evaluated community projects by eight women participating in a leadership development program.

The Russian program is sponsored by the U.S. Department of State, Bureau of Educational and Cultural Affairs, Novgorod State University, and Purdue University International Programs in Agriculture. Michael Stitsworth and Zina Breschinsky are the co-managers of the project; Janet is the leadership development trainer.

After applying and interviewing for the program, eight women were selected for their leadership potential. The program started at Purdue in April 2001 with a 3-week leadership development program. In addition to basic leadership training, they visited rural communities to interact with women leaders, participated in various volunteer organizations, learned computer skills, and visited women leaders in Indianapolis and Washington, D.C. Before they left the U.S., they developed a leadership project for their local community. After approval of their proposal they were given mini-grants to initiate their project.

One of the women initiated a foster care program for orphaned or abused children. Another participant, a teacher, started a drug and alcohol abuse program in the school. She trained several teens on self-esteem, the danger of drugs, and how to say "no" to peers. A librarian started an "Ecology Club" for children in her rural village. After the fall of the Soviet Union, many of the youth clubs and organizations ceased to exist.

Dr. Ayres' experience in the program was very beneficial to the seniors who enrolled in AGEC 498E, "Leadership in a Changing World." One student commented, "Dr. Ayres' personal experiences really added to the learning and how leadership plays a role in our lives after college." Other seniors added these thoughts: "This class definitely helped me develop as a person;" "She taught us skills and methods on how to work with groups, facilitation, conflict, and visioning;" and "I now know what leadership really means - I will definitely use these valuable tools in the workplace and my everyday life."

Dr. Ayres' ability to develop individual leadership skills in others is truly impacting the world - from the Agricultural Economic seniors sitting in a classroom on the West Lafayette, IN campus to the women working diligently to improve their homeland in Russia.

Faculty Awards

The faculty in the Department of Agricultural Economics continue to receive recognition for their excellence in teaching, extension and research. The following individuals and programs were recognized this past year:

- Dr. Freddie Barnard - Senior Purdue University Cooperative Extension Service Extension Award
- Dr. Joan Fulton - Junior Purdue University Cooperative Extension Service Extension Award
- Dr. Allan Gray - Class of 1922 Helping Students Learn Award; United States Distance Learning Association Award for Excellence in Distance Learning Teaching in Higher Education
- Dr. Robert Taylor - Special Boilermaker Award
- EMBA Program - Award for Excellence in Distance Learning, Best Credit-Granting Program
**Faculty Highlights**

**Saraheleen Thompson** recently joined the Department of Agricultural Economics as Department Head. Since 1984 she had been a member of the Department of Agricultural and Consumer Economics at the University of Illinois. She received her Ph.D. from the Food Research Institute at Stanford University and an M.S. in Agricultural and Applied Economics at the University of Minnesota. While at Illinois she worked in the area of agricultural and food marketing and led initiatives to develop information technology and decision support systems for food and agricultural decision-makers. She also helped develop a coalition of stakeholder groups in Illinois that both secures additional funding for food and agricultural research and outreach programs as well as participates in planning and evaluating these activities.

**Marshall Martin** was named Associate Director of Agricultural Research Programs. In his new role, he serves as liaison between Purdue University and the USDA’s Cooperative State Research Extension and Education Service (CSREES), serves as a liaison with Indiana commodity organizations, meets with administrative counterparts from other land grant universities to coordinate a variety of national and regional research efforts, and assists the Dean and Associate Dean with numerous administrative and public communication activities on behalf of the School of Agriculture. He continues to supervise graduate student thesis research and counsel undergraduates in the Department of Agricultural Economics.

**Paul Preckel** was recently named Associate Department Head of Agricultural Economics. His current research primarily focuses on assessment of the effects of policy across an economy's income spectrum, supply chain management, and applications and methods for optimization and numerical integration. He teaches decision analysis and mathematical programming at the graduate level. He has also served as a consultant to the Electric Power Research Institute, Control Analysis Corporation, Hudson Institute, University of Delaware, U.S. Agency for International Development, and the World Bank.

**William Masters** was recently promoted to Professor. He conducts research in agricultural development and international trade, primarily in Africa. Since 1994, he has taught an annual workshop for economists in the national agricultural research institutes of the Sahel region in West Africa. He teaches an undergraduate course in agricultural development and a graduate course in agricultural policy. During the 1998-99 school year, he took a sabbatical leave in London, England to conduct research at the London School of Economics and Oxford University’s Center for the Study of African Economies. In 2000, he took a leave of absence to work at the Center for International Development at Harvard University.

**Channing Arndt** was recently promoted to Associate Professor. Since joining the faculty in 1998, his research has focused on economic challenges faced by developing countries, especially Africa. These countries face a series of critical strategic decisions with respect to: the degree of openness to regional and global markets; the role of agriculture; public investment in people, technology, and infrastructure; and public finance - to name only a few. He has sought to contribute to the formulation of coherent national development strategies with substantial efforts in Mozambique and South Africa. He also teaches an undergraduate course in decision making and a graduate course in mathematical programming.

**Lawrence Bohl**, Professor and Head Undergraduate Counselor, retired January 4. As Head Counselor, he focused on undergraduate recruitment, retention, career planning, and career placement. He taught "Introduction to Agricultural Economics and Business", Sophomore Career Seminar", and "Economics - Principles and Policy." He received the following awards for his work with undergraduates; School of Agriculture Outstanding Counselor and Outstanding Teacher, ODK Outstanding Counselor, American Agricultural Economics Outstanding Teaching Award for less than 10 years teaching and for more than 10 years teaching, Hovde Award, Special Boilermaker Award, and the Purdue Agricultural Alumni "Certificate of Distinction." The alumni also recognized his years of service with an endowed freshman scholarship.
The farming world is rapidly changing and the margins for commodity production continue to narrow. In the face of this steady march, one Indiana farmer observed that not only did he need to re-invent his farm, but also he needed to know how to re-invent his farm. As margins narrow, what are the choices? There are two broad strategies that can be used to maintain incomes—expand the size of the business or engage in production of items that have greater margins. This second strategy is the focus of this article.

The Agricultural Economics Department is playing a major role in the School of Agriculture’s effort to preserve economic sustainability. There is a new Cooperative Extension Service (CES) Enterprise Development Team co-chaired by Joan Fulton, Associate Professor of Agricultural Economics. In addition, Craig Dobbins, Professor of Agricultural Economics, currently serves as the co-chair of the CES Alternative Agriculture Common Interest Group. In this role he has also organized CES staff development sessions in marketing management and entrepreneurship.

One of the main challenges for the Enterprise Development Team is to improve the economic sustainability of Indiana agriculture by promoting and nurturing entrepreneurship. The team, which includes Purdue faculty from several disciplines and CES County Educators, will focus on improving the entrepreneurial and managerial skills of community leaders, extension educators, and business managers. In addition, the team will assist Indiana citizens and rural communities in developing new business opportunities.

Numerous possibilities exist for business development including:
- Production of higher valued crops such as vegetables or fruits.
- Direct marketing for products.
- Engage in value-added processing of commodities that are currently being produced.
- Join with other producers to buy inputs, sell products, or control critical resources.
- Expand current activities on the farm to provide the service to others.
- Provide agri-tourism opportunities and other forms of entertainment.

These new and expanded areas of focus in entrepreneurship and new enterprise development complement ongoing educational programs of the department. Professors Mike Bohlje and Allan Gray, along with Alan Miller, a farm business management specialist, deliver extension programs in finance and business strategy. In addition, department faculty teach undergrad courses in strategy, business plan development and financial and marketing management. Many of the department graduates return to Indiana farms with this improved knowledge base.

The overall goal is to ensure that the Indiana citizens have the knowledge and skill level to evaluate potential business opportunities in an effective and timely manner, successfully develop these business opportunities into viable business entities, and manage these new businesses for sustained profitability.

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**Support Agricultural Economics**

This newsletter conveys some of the excitement we feel about the successes and changes taking place in the department. Our students and faculty continue to excel and represent us well. We invite you to be a part of this excitement. Many of you currently make regular contributions to the department, and we are very appreciative. Through our collective efforts, the Purdue Department of Agricultural Economics can continue as one of the best in the world. You can make a gift by using any of the following methods:

- **Donate on-line:** [http://www.purdue.edu/UDO/udoweb2/hsgift.htm](http://www.purdue.edu/UDO/udoweb2/hsgift.htm)

- **Mail to:** **Purdue Foundation 1801 Purdue Memorial Union West Lafayette, IN 47907**
  
  Make checks payable to the **Purdue Foundation** and write **Agricultural Economics** on the memo line.

- **Contributions to the Purdue Foundation are deductible as charitable contributions within the limits of the Internal Revenue Code. This includes gifts of securities.**

- **Indiana taxpayers are eligible for a 50% state income tax credit for gifts up to $400 on joint returns or $200 on individual returns.**

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Newsletter Editors:  
Debby Weber & LeeAnn Williams  
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Purdue is an EEO/AAE.
Put Saturday, October 19, 2002 on your calendars. The Department of Agricultural Economics will be hosting a departmental reunion! This activity is being planned just for you to meet and greet your old friends, faculty, and retirees. This event will be before the Purdue/Michigan football game (a block of tickets will be reserved for the game for those who wish to sit together).

Registration will begin three hours before kick-off (game time will not be set until closer to the game date) and a pre-game brunch will be served two hours before kick-off in a tent on the front lawn of Agricultural Administration. Look inside for registration information!

- Meet the new department head
- Visit friends and faculty
- Enjoy a great meal by Parrett’s Catering
- Catch up on departmental happenings
- Watch a Boilermaker Football Game
Mail to: Purdue Ag Alumni Assoc. 1140 AGAD Room 1, West Lafayette, IN 47907-1140
        FAX: 765-494-7420 Phone: 765-494-8593

Deadlines:
  Brunch Reservations: October 1
  Football Reservations (Block Seating): August 28

Alumni Information
Name ________________________________________________________________
Address _____________________________________________________________
City/State/Zip ______________________________________________________
Daytime Phone (________) _____________________________________________
Fax (________) _____________________________________________________
E-Mail ______________________________________________________________

Special Football Seating Needs: (wheelchair space, etc.):_____________________

Dietary Needs (please explain):___________________________________________

Other Necessary Accommodations (please explain):

Name(s) as you wish them to appear on name badges (please print or type):
________________________________________________________________________
________________________________________________________________________

Tickets
  Tailgate and Game
    Adult @$53 ______ = ______
    Children 7 -12 @$47 ______ = ______
    Children under 6 (eat free - need game ticket) @$41 ______ = ______
  Tailgate Only
    Adult @$12 ______ = ______
    Children 7 -12 @$6 ______ = ______
    Children under 6 (eat free - need game ticket) FREE ______ = ______

  Total

Credit Card Orders (circle one) MC VISA
Card # __________________________ Expiration date _______ / ______
Signature _____________________________________________________________

MAKE CHECKS PAYABLE TO PURDUE AG ALUMNI ASSOCIATION

NOTES: All persons, regardless of age, must have a ticket to enter Ross-Ade Stadium.
        You will receive written confirmation of your registration, along with a map that indicates 
        convenient parking locations.
        All tickets will be distributed at the registration table in the tent on game day.