# ACE AGRICULTURAL AND CONSUMER ECONOMICS

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## December 2010

#### A Message from the Department Head

Welcome to the December issue of the ACE Newsletter. You'll see a new header, which is also going to headline our newly designed web page and other marketing material.

Our Department mourns the loss of faculty member and former ACE Department Head Andy Isserman. He died suddenly on Thursday, November 4, 2010 after collapsing during a game of basketball. He was a very good mentor to me as a faculty member and again, when I transitioned into the Head's office. His creativity and extreme passion for scholarly activity was remarkable. He initiated many positive and impactful procedures in ACE during his time as Head. We are indebted to his many contributions to the Department, College, University and his research community. He had so much more to give. In an effort to reach former students and colleagues we created an email account (memoriesofisserman@gmail.com) to which you can send your remembrances. We will print or transcribe the remembrances that are emailed into a book.

Building on strong academic coursework, the two projects highlighted in this issue of the newsletter show ACE's involvement in pioneering experiential learning activities in international settings. These programs are assisting our students in becoming internationally savvy employees. Many of our corporate partners are asking this of our students, and programs like these are better preparing our students to meet the needs of our stakeholders.

In other news, the University of Illinois Extension's Market Maker Program was recently honored with a USDA Partnership Award, for driving home the USDA mission through this revolutionary project. For more information on Market Maker, visit www.marketmaker.uiuc.edu.

Please contact me if you have any questions. I wish you a healthy, safe and happy holiday season.

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# Students Visit China through International Business Immersion Program



For two weeks in May, twenty students toured Beijing, Shanghai, Wuhan, Xiantao, Hangzhou, and Hong Kong to learn about how to conduct business in an international setting. They were led by Andrea Martens, Assistant Professor in the Department of Agricultural and Consumer Economics and the Department of Business Administration, Meredith Blumthal, Program Coordinator for the International Business Immersion Program, and Lynnea Johnson, Associate Director of the Center for International Business Education and Research (CIBER).

The trip is part of ACE/BADM 346, the International Business Immersion Program. The class meets in the spring semester, travels for two weeks in May, and finishes up by meeting for six weeks during the fall semester. Enrollment in the class is competitive, so students have to submit an application with an essay. The corporate sponsors of the trip, including Archer Daniels Midland (ADM), Bunge, Monsanto, and Caterpillar, participate in the selection process so that it mirrors a job application. These companies also host the students during visits in the spring semester in the U.S., and the students value this opportunity to interact with the company's executives and University of Illinois alumni, and to find out about job opportunities. Other donors include the Doug Roberts Foundation and CIBER.

The students that participated this year come from ACES, Business, Media, and Urban Planning. Kristin DeSutter, an Agricultural Communications major, was attracted to the program as an opportunity to study abroad. She says, "Not only had I heard other ACES students discuss what an incredible experience IBIP is for professional development, but I also wanted to discover more about my own personal skills, academic studies, and career goals while making friends on campus and across the globe. At the same time, visiting one of the world's most ancient and powerful civilizations was a fascinating opportunity to me, and I don't believe I would have ever visited China without studying abroad through ACES at the University of Illinois."

The program started in 2001, although the location of the trip varies and has included Europe, Brazil, and New Zealand. This year, the class focused on how to do business in China in the agribusiness and food sector, following the whole supply chain from biotech to retail. During the spring course, the class

# Research and Outreach

Consumer & Family **Economics** Farm Analysis Solution Tools Farmdoc Farm Gate FBFM Food & Agribusiness Management Program Illinois Tax School Market Maker Office for Futures & Options Research Plan Well Retire Well Program for **Environmental & Resource Economics Regional Economics** & Public Policy **Rural Health** 

## Programs

Graduate Program Undergraduate Program

## **Contact Us**

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Email: aceaces@illinois.edu reviewed Harvard case studies and conducted research on particular industries, including dairy, juice, tea, fast food, and retail. The students also learned practical aspects of business like cultural awareness and etiquette with the participation of guest speakers with practical experience in China and Chinese graduate students.

Martens explains that the purpose of the class "is for students to have as real-world experience as possible. The students become experts in looking at how the industries are similar and different between the US and China. And at the end, they have to give recommendation for real-world situations."

After the spring course, the students traveled for two weeks in May. While in China, the students visited firms, regulators, and farmers. They also met students there and talked to consumers. Click here [http://ibip.illinois.edu/node/154] to see the student blog with a detailed description of the visits.

Upon returning to the US, the class met this fall to complete the requirements for the spring course. The largest component that remains is that students take taped interviews they conducted in China and turn them into three-to-five minute videos about their particular industry. These videos were showcased at a "Chinese night" at the I-Hotel on October 7<sup>th</sup>.

Chen Hu, a Finance, Accounting, and Electrical Engineering major, valued the opportunity to explore business trends in his home country and the world. "Even though I was visiting my own country," he says, "I still got to discover much more about the business, the lifestyle, and the culture. Before I left for college, I did not have the time or the connections to visit all the great companies and places, but now IBIP has provided me with the perfect opportunity to dig more into the professional industries of China, enabling me to further explore my career options in both the US and China."

For Martens, the best part of the trip is seeing students learn about the global community. She explains, "I grew up all over the world, including Chile, Germany, and other countries. It's really wonderful to see how students come to understand that they are global citizens. The world becomes a smaller place and they become less scared of people who are different. It also helps us realize how lucky we may be."

DeSutter agrees. She says, "On a personal level, I have realized that despite all outside differences of hair color, skin tone, or styles of dress, almost all people have the same core values on the inside. While touring the 2010 World Expo in Shanghai, I realized that while so many people are from such diverse countries and backgrounds, we are all proud of our national heritage, care for our families and friends, and want to make the world a better place."

Martens also enjoys getting to know the students who participate in the course. "The course is so intense that you get to know your students really well," she says. "I get to know them on a personal level and can help with career advising. I get to know them better than I would a regular class." Martens has also been impressed with the final projects and how hard the students work. "It's amazing to see how things so great come out of the experience," she says.



### Students Consult on SoyCow Operations in Guatemala

In January 2010, 18 students visited Guatemala as a part of ACE 199, an experimental course focused on developing small business plans for SoyCow operations in Guatemala. The students were led by Nicholas Paulson, Assistant Professor of Agricultural and Consumer Economics. Paulson explains that the trip began when the National Soybean Research Lab approached him about small business consulting for donated SoyCow projects.

The SoyCow is a machine that processes raw soybeans into soymilk, which can be further processed into other foods. Click here [http://www.ace.illinois.edu/pdfs/guatemala.pdf] to read more about how the SoyCow works.The purpose of the trip was to visit four SoyCow operations in Guatemala in order to give recommendations about making the operations sustainable.

Paulson explains that the SoyCows are intended to help small businesses, create job opportunities, and create nutritional products for the communities. "Experience has been that these organizations have a hard time with the business side of the operations," Paulson says, such as "figuring out basic business problems like what price to charge, marketing, costs of production, and planning for the future."An invitation to apply for the class and trip was extended to Paulson's students in ACE 345, a small business finance course.

Seventeen students chosen were College of ACES majors, and the eighteenth student was from the College of Engineering. This competitive process ensures that students have some knowledge of small business consulting before making recommendations to these live businesses. One of the students, Kendell Woodyard, was drawn to the trip because of its intersection between agriculture, studying abroad, and business. He chose it because he "realized this trip would provide beneficial study abroad experience and include a humanitarian purpose," and he was also "interested in learning Guatemala heritage and culture and practicing Spanish-speaking skills."

While in Guatemala, the students visited four organizations with SoyCow operations: Fundaniñas, an orphanage in Guatemala City founded in 1990 that houses 30 girls; Centro de Artes, a training center

for cooking, sewing, art, cosmetology, and computers that graduates 800 people a year; Hermano Pedro, a hospital serving the poor in Antigua and providing housing for handicapped children and the elderly; and CECYPSA, a Catholic school in Retalhuleu that provides housing and education for up to 160 students. The students also had time for cultural activities while in Guatemala. Click here [http://www.ace.illinois.edu/events/guatemala/index.html] to see a slide show of the trip and here [http://www.ace345finblog.com/guatemala-blog/] to read the student blog.

Upon returning to the US, the students engaged in the eight-week ACE 199 course. The students worked in four small groups to make recommendations for each of the SoyCow operations. Paulson details that the recommendations must be tailored to the particular organization. "There is not a one-size fits all plan for these things," he says. "Everyone is in a different market in different cities. SoyCow fits in differently at each one of those places, so the goals and challenges and successes that all of them had are all so different."

The students did determine two main recommendations for all SoyCow operations regardless of where they are installed. First, the students recommend that all operations employ a basic record-keeping system. To implement this recommendation, the students created an excel template to help employees track inventory, sales, costs of production, and recipes. The second recommendation is that organizations use a student-created website to help with communication needs. Specifically, the website will help organizations find spare parts for the machines, share recipes, ask questions, and find contact information for resources and other SoyCow operations in Guatemala.

Paulson explains that plans are in progress to share those recommendations with the four SoyCow operations visited, as well as other places where SoyCows have been installed and may be installed in the future. It is likely that similar trips and projects will be planned for the future. Paulson explains, "As a department, we are having discussion about incorporating business plan development into future courses, which might include dedicating a class to small business consulting. It is good experience for students to work through real-world problems like this."

Indeed, the trip has made a large impact on the students, including Woodyard. He says, "This experience will be beneficial in both my educational and career goals because it provided me with a hands-on, real-world experience. It is one thing to work with balance sheets and cash flow statements in the classroom, and it is another to actually see these real-world problems and work with peers to find solutions that could help people."

#### "Where are they now?" -- Jean Due



Jean Due did not know that when she came to the University of Illinois to earn a Master's and PhD in Economics in 1949, she would be here for the next sixty years. Due is a Canadian with dual citizenship who earned her undergraduate degree from the University of Toronto. At the University, she met her husband, John F. Due, a Professor of Economics who taught and consulted on tax policy. They were married in 1950. Due was familiar with agriculture from growing up on a farm, so she obtained a half-time appointment in agricultural economics in 1970, where she worked until her retirement in 1990.

Due's professional work has focused on agricultural development in Africa. This interest began in 1963 when Due accompanied her husband on sabbatical to look at tax policy changes that arose with independence. Both of them fell in love with Africa, so she approached the College of Agriculture about

doing this kind of work. She began working with the Agricultural Economics Department and the African Studies program and taught a course on African economic development and food issues for 20 years.

She has been back and forth to Africa about forty times. In 1980, Due was chosen as co-principal investigator of a USAID-funded study of beans in Tanzania and South America. Due's work with faculty and students at Sokoine University of Agriculture in Tanzania encouraged African students to come to the University of Illinois for graduate work. As a result, Due had more PhDs than any of the other professors involved.

Due has seen a lot of progress in Africa since she began over forty years ago. Due says, "When I was back in Tanzania in October 2009, I saw a lot of improvement since 1963 when we first went. For a long time there seemed to be very little improvement, but now there are more universities, stronger government leadership, and a larger emphasis on education, so they are making much more headway."

Post-retirement, Due continued writing about her research for five more years. Her publication history includes articles on women farmers, micro-financing, sustainable nutrition, and privatization. She was invited twice to China to discuss African development. Due is also involved with women's issues and assists in bringing African women to the University of Illinois. Due feels particularly proud when students she worked with return to their countries to give back. She says, "It is so rewarding to be able to help students from a developing country go back and improve things." Her past student Kandeh Yumkella [http://www.unido.org/index.php?id=o3358], for instance, is now the Director-General of the United Nations Industrial Development Organization (UNIDO).

Due is excited and proud about the work that she has done at the University. She says, "It's a great university and it has tremendous potential for all students." She advises current students to take advantage of the international students here at the University by getting to know them. International experience is also helpful for job seekers. Due explains, "There is more and more emphasis on students with international experience if they seek jobs overseas."Faculty can also play a role in international education. "If we can emphasize the contribution of the students who graduated and went home and took on important responsibilities," Due says, "it helps people understand how important international work is. And knowing something about what is going on overseas helps us teach classes."

For recreation, Due plays golf and is active in political elections, in the community, and in her church. She has a cottage in Canada on a lake at the family farm, and she spends three weeks there every summer with her extended family."Being able to travel to many countries of the world and making associations brought about a richness to me and to our family. And I am eternally thankful that I was at a university that encouraged that and helped develop those curiosities in me. I am grateful for the opportunities I had here and that I experienced them with my husband."

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