

ECONTRENDS

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Purdue University North Central

Economic Report for LaPorte and Porter Counties

Prepared by Tantatape Brahmasrene, Professor of Economics

The factors that may have contributed to regional growth include economic structure, such as a concentration of workforce in manufacturing versus trade/service occupations, economic environment, such as local government taxes and expenditures, and health service availability, demographic factors associated with an aging labor force and lower rates of educational attainment, and effective buying income. This issue of ECONTRENDS focuses on information and statistical data about buying power, retail sales, industry employment and earnings among neighboring LaPorte and Porter counties, the state, and the nation.

Median Buying Power Falls Behind Inflation Rate

Buying power and population are two of the major factors that determine the total value of retail sales and services. Effective buying income (EBI) is income that is available for consumption and savings. The EBI indicates an ability to buy, which is quite important to know for business planning and marketing purposes. EBI is a measure of money income minus personal tax and non-tax payments. Money income is a measurement of income developed exclusively by Sales & Marketing Management. Data from Sales and Marketing Management are estimates for each year. It is the aggregate of salaries and wages, net farm and non-farm income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, disability income, public assistance income, unemployment

compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income.

The 2004 annual data from Sales & Marketing Management will not be available until later in 2005. The statistics presented here are extracted from prior year data. While Table 1 clearly presents the EBI differential among the residents of LaPorte and Porter counties, that gap has begun to narrow. LaPorte County's median EBI was about 75 percent of Porter's in 1995. By 2003, this relative median EBI gap was about 80 percent. In comparison with the nation's and state's median EBI in 2003 (\$38,201 and \$37,917, respectively), LaPorte County (\$37,193) was lower than both the state and nation while Porter County showed a much higher EBI (\$46,740). In 1995, LaPorte County (\$31,135) was lower than both the nation's and state's median EBI (\$32,238 and \$32,662, respectively) while Porter County showed a much higher EBI (\$41,409). During 1995-2003, Porter County's total EBI growth averaged 4 percent which was the same as the nation but outpaced LaPorte County (2 percent) and the state of Indiana (3 percent). The EBI for the total incomes outpaced the growth of the EBI at median income levels.

PNC Offers MBA

The Department of Business now offers a Master of Business Administration degree that will prepare students for careers in positions of authority in a variety of businesses. Classes will begin in the Fall semester, 2005.

Classes will be offered on Saturdays and meet at the PNC Valparaiso Academic Center. All faculty members are certified by the Graduate School in West Lafayette and are supported by the full teaching resources of Purdue University.

Further information can be obtained by contacting the Department of Business at 219-785-5263, visit the Web site at pnc.edu/mba, or email mba@pnc.edu.



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Brahmasrene, a J. William Fulbright Senior Scholar, and a 2003-04 Fulbright Senior Specialist was awarded a 2005 International Travel Grant by the Purdue Research Foundation.

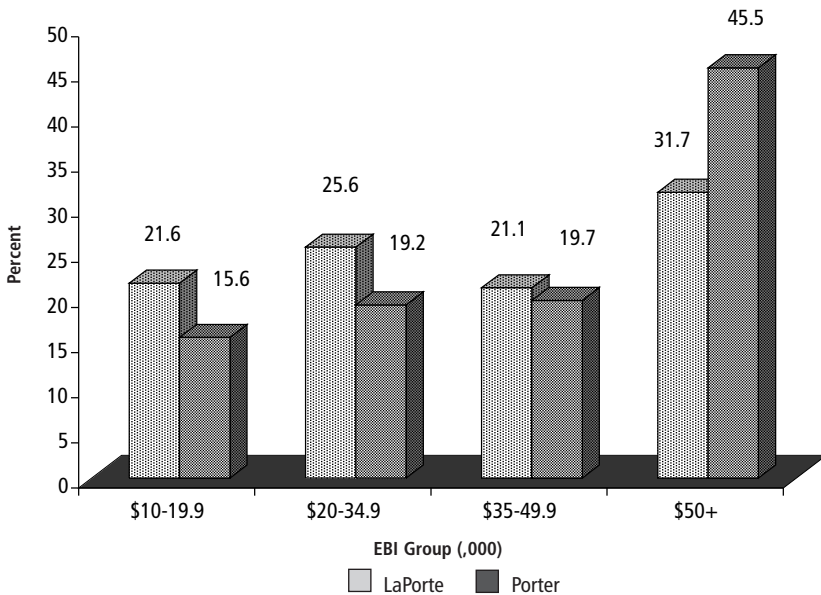
(Table 1)
EFFECTIVE BUYING INCOME (EBI)
 LaPorte and Porter Counties

Year	Total EBI in thousands	% Change	Median EBI	% Change	% Households by EBI Group			
					\$10,000 \$19,999	\$20,000 \$34,999	\$35,000 \$49,999	\$50,000 + over
LaPorte County								
1995	1,553,699		31,135		30.4	25.8	19.9	23.9
1996	1,623,191	4.5	32,398	4.1	28.9	25.1	19.8	26.2
1997	1,683,021	3.7	33,420	3.2	27.9	24.5	19.7	27.9
1998	1,755,885	4.3	33,764	1.0	27.6	24.2	19.5	28.7
1999	1,810,488	3.1	34,936	3.5	26.3	23.8	19.3	30.6
2000	1,851,215	2.2	35,944	2.9	25.4	23.3	18.7	32.6
2001	1,739,838	-6.0	34,870	-3.0	23.0	27.3	20.6	29.1
2002	1,805,245	3.8	37,819	8.5	21.1	24.7	21.6	32.6
2003	1,790,373	-0.8	37,193	-1.7	21.6	25.6	21.1	31.7
Porter County								
1995	2,321,129		41,409		20.4	20.9	20.5	38.2
1996	2,465,772	6.2	43,205	4.3	19.3	20.1	19.6	41.0
1997	2,633,860	6.8	45,207	4.6	18.3	19.3	18.7	43.7
1998	2,793,319	6.1	46,450	2.7	17.7	18.8	18.0	45.5
1999	2,927,978	4.8	48,491	4.4	16.6	18.0	17.2	48.2
2000	2,972,876	1.5	50,058	3.2	15.9	17.8	16.3	50.0
2001	2,959,238	-0.5	45,615	-8.9	15.5	21.5	19.1	43.9
2002	3,133,175	5.9	47,661	4.5	15.2	18.3	20.0	46.5
2003	3,167,393	1.1	46,740	-1.9	15.6	19.2	19.7	45.5

Source: Calculated from 1996-2004 Survey of Buying Power, Sales and Marketing Management

Table 1 also shows that there are many more households in Porter County in the higher income bracket than there are in LaPorte County. In 2001 about 63 percent of Porter County households had EBI of over \$35,000, compared to 49.7 percent in LaPorte County. In 2003, this rose to about 52.8 percent of LaPorte County households having EBI of over \$35,000, compared to 65.2 percent in Porter County (Figure 1). The increase in relatively affluent households will stimulate high-end retail sales of items such as automobiles and home furnishings. However, the annualized inflation rate during 1995 to 2003 is 2.43 percent while the average annual growth of median EBI of the nation, Indiana, LaPorte and Porter counties were all the same at 2 percent. The purchasing power has somewhat diminished.

(Figure 1)
PERCENT OF HOUSEHOLD BY EBI GROUP
 2003



Source: Calculated from 1996-2004 Survey of Buying Power, Sales and Marketing Management

(Table 2)
RETAIL SALES IN THOUSANDS
 LaPorte and Porter Counties

	1995	1996	1997	1989	1999	2000	2001	2002	2003
LaPorte County									
Total	978,316	1,007,280	1,031,027	1,076,502	1,283,936	1,294,309	1,236,357	1,213,021	1,235,154
Food/Bev Strs	145,391	153,731	163,786	174,176	120,746	113,936	109,391	112,150	118,456
Eat/Drink Estb	92,127	94,863	90,039	91,770	101,652	99,749	91,836	97,001	105,927
Gen Mdse	110,418	113,045	110,493	111,785	262,535	290,709	276,742	298,564	300,981
Furn/Apppl	59,144	52,836	55,796	59,650	37,123	34,784	34,459	32,533	31,995
Motor Veh Prts	212,690	215,934	220,428	231,852	279,964	271,666	257,492	235,945	215,728
Others	358,546	376,871	390,485	407,269	481,916	483,468	466,437	436,828	462,067
Porter County									
Total	1,070,716	1,146,933	1,212,763	1,300,018	1,539,618	1,652,037	1,587,596	1,476,606	1,540,078
Food	187,078	205,880	195,635	198,349	152,214	143,218	143,277	121,260	127,573
Eat/Drink Estb	105,598	113,170	114,377	121,474	129,396	143,973	137,561	143,572	152,558
Gen Mdse	132,345	131,208	149,211	164,325	295,486	325,199	312,616	336,173	358,394
Furn/Apppl	34,989	38,175	41,264	45,074	43,457	46,940	39,529	34,223	37,249
Motor Veh Prts	280,522	308,146	330,951	360,426	453,025	466,884	433,852	352,122	333,987
Others	330,184	350,354	381,325	410,370	466,040	525,823	520,761	489,256	530,317

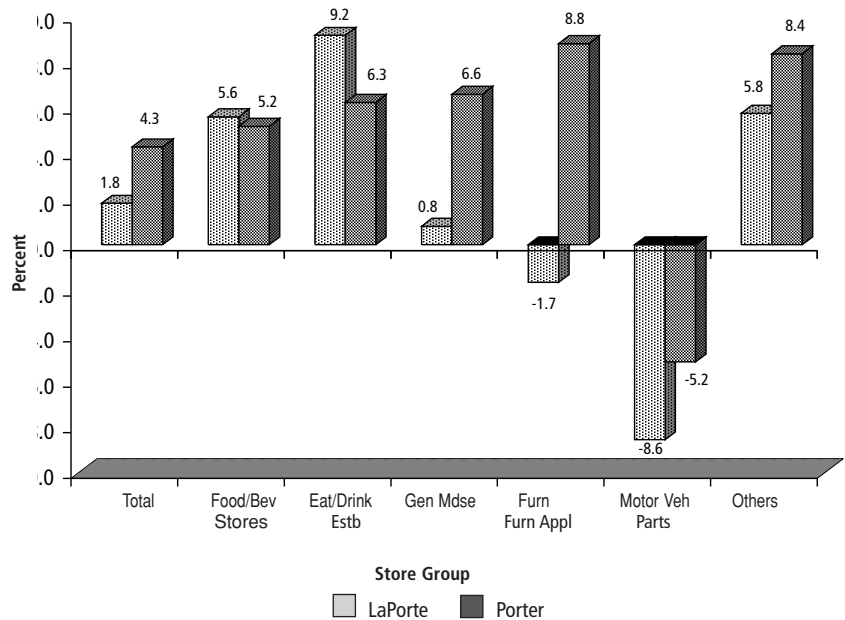
Source: Calculated from 1996-2004 Survey of Buying Power, Sales and Marketing Management

Retail Sales Recovered in Local Counties

After a significant decline in retail sales in 2001-2002, the local retail economy recovered in 2003. LaPorte County posted retail sales gains below national and state levels in 2003. Meanwhile, data on retail sales in Porter County indicate 2003 growth in retail sales above the state average but below the national average, while still growing at a healthy pace. In 2003, total retail sales increased by 1.8 percent in LaPorte County and by 4.3 percent in Porter County. Porter County managed to outpace the state's growth of 4.1 percent in 2003. Indiana stayed behind the nation's 4.9 percent gain. While these figures have not been adjusted for inflation, the 2003 inflation rate calculated from the consumer prices of all items was 2.28 percent. In 2001, total retail sales in LaPorte County decreased by -4.5 percent, while Porter County posted a plunge of -3.9 percent. This compares to an decline for the state of -3.8 percent while the nation realized a drop of -0.9 percent.

Table 2 summarizes countywide retail sales by categories, from 1995 to 2003 in both LaPorte and Porter counties. The row labeled Others in Table 2 is comprised of figures from several categories, including the many apparel and accessory stores found in Lighthouse Place Premium Outlets and other shopping areas. Figure 2 shows that from 2002 to 2003, LaPorte County gained only 0.8 percent in General Merchandise and 5.8 percent

(Figure 2)
RETAIL SALES GROWTH
 2003



Source: Calculated from 2003-04 Survey of Buying Power, Sales and Marketing Management

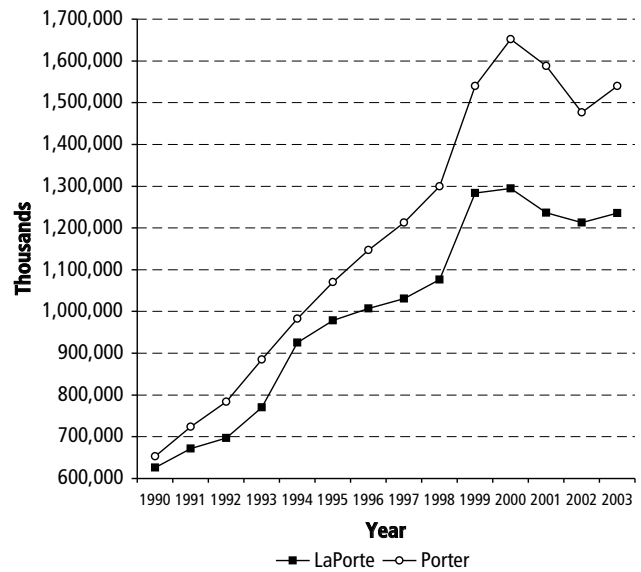
in Others. General Merchandise is a category that includes any establishment that sells a number of lines of merchandise such as dry goods, housewares, hardware, home furnishings and accessories. Department stores, limited-price variety stores and miscellaneous general merchandise stores are also included in this group. The Drug category has been included in Others. LaPorte County showed its largest gain (9.2 percent) in the

category of Food Service & Drinking Establishments followed by 5.6 percent gain in Food & Beverage Stores, while Porter County reflected its largest gain of 8.8 percent in Furniture, Home Furnishings & Electronic Appliances. During this period LaPorte County experienced a decline in Furniture, Home Furnishings & Electronic Appliances (-1.7 percent) and Motor Vehicle & Parts Dealers (-8.6 percent). Porter County experienced a decline only in the latter category (-5.2 percent).

Figure 3 exhibits the trend of retail sales from 1990 to 2003. Porter County has consistently outperformed LaPorte County. This can be attributed to a larger population and a higher Effective Buying Income (EBI). Beginning in 1997, retail sales grew at an increasing rate in both counties, as well as in the state and the nation until 2000. Regarding the latest installment in this growth trend, from 1990 to 2003 the average annual growth rate in retail sales for LaPorte and Porter counties was 3.4 and 5.4 percent, respectively. Indiana's growth of 5.8 percent and the national figure of 6.6 percent outpaced both counties' growth. It must be noted that these figures have not been adjusted for inflation and the annualized inflation rate over that period (1990-2003) was 2.86 percent.

What contributes to the total retail sales? As we see the growing number of large general merchandise stores in both counties, we may assume that the largest proportion of total retail sales comes from this General Merchandise category. Figure 4 shows that of all the leading categories in 2003, the Other and General Merchandise categories constitute the largest share of the total retail sales in both LaPorte and Porter counties at 61 and 58 percent, respectively. The Furniture, Home Furnishings & Electronic Appliances category accounted for the smallest proportion of sales in both counties.

(Figure 3)
RETAIL SALES TRENDS

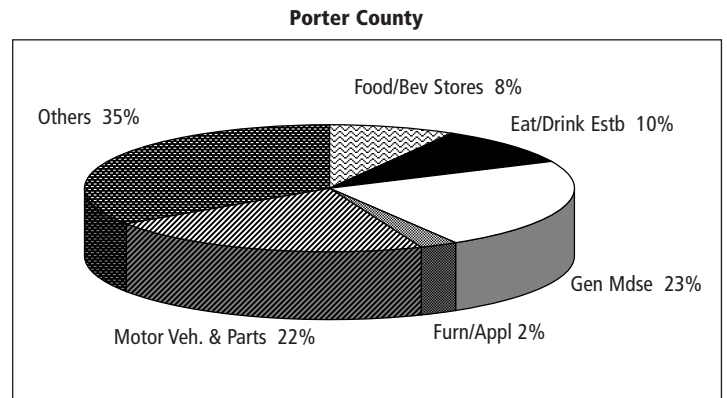
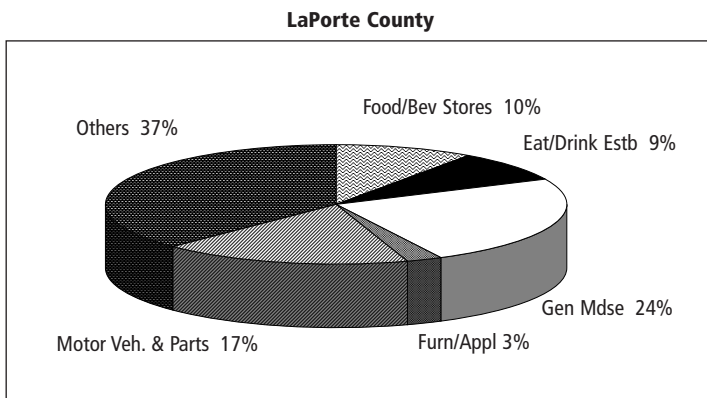


Source: Calculated from 1996-2004 Survey of Buying Power, Sales and Marketing Management

Population Growth

According to the U.S. Bureau of Economic Analysis estimates, population will continue to grow slowly and steadily in both LaPorte and Porter counties. Meanwhile, the American population is aging as a result of an increase in life expectancy and a decline in the birth rate. Early middle-agers represented the fastest growing market, and the relative size of the middle-aged market continues to expand as late baby boomers enter middle age. From the beginning of 1995 to 2003, the annualized growth of population in LaPorte and Porter counties was 0.10 and 1.07 percent, respectively. By and large, population growth and changes in consumer age composition will continue to have profound implications on merchandising. This creates new market opportunities that require continuous and innovative adjustments.

(Figure 4)
RETAIL SALES BY CATEGORY
2003



Source: Calculated from 1996-2004 Survey of Buying Power, Sales and Marketing Management

(Table 3)
LAPORTE COUNTY NUMBER OF FIRMS, WAGE AND EMPLOYMENT

Industry Sectors (NAICS)*	2004 Thru 2Q Avg No. of Firms	2004 Thru 2Q Annualized Avg Wage	Average Employment				Employment Change	
			2001	2002	2003	2004 2Q	Numerical 2001-04	% 2001-04
TOTAL EMPLOYMENT **	2,506	\$29,164	46,868	46,311	45,413	44,383	-2,485	-5.3%
NATURAL RESOURCES & MINING	40	\$19,460	342	339	401	387	45	13.2%
Agriculture, Forestry, Fishing, & Hunting	36	\$20,972	248	236	262	255	7	2.8%
Mining	4	\$16,472	94	103	139	132	38	40.4%
CONSTRUCTION	316	\$40,070	2,341	2,333	2,257	1,989	-353	-15.1%
MANUFACTURING	200	\$37,648	10,406	9,432	8,980	9,097	-1,309	-12.6%
TRADE, TRANSPORTATION, & UTILITIES	652	\$25,990	9,061	8,761	8,387	8,663	-398	-4.4%
Wholesale Trade	146	\$35,584	1,181	1,143	1,195	1,191	10	0.8%
Retail Trade	417	\$18,822	5,975	5,775	5,645	5,607	-368	-6.2%
Transportation & Warehousing	85	\$37,022	1,609	1,567	1,290	1,616	7	0.4%
Utilities	5	\$69,762	296	276	257	250	-46	-15.5%
INFORMATION	40	\$30,896	724	723	690	811	87	11.9%
FINANCIAL ACTIVITIES	193	\$32,957	1,503	1,534	1,624	1,222	-281	-18.7%
Finance & Insurance	105	\$37,316	869	867	873	877	8	0.9%
Real Estate, Rental & Leasing	88	\$21,878	634	667	751	346	-289	-45.5%
PROFESSIONAL & BUSINESS SERVICES	296	\$23,344	2,901	2,845	2,632	2,651	-250	-8.6%
Professional & Technical Services	166	\$29,206	805	734	718	760	-46	-5.7%
Management of Companies & Enterprises	6	\$57,126	49	65	81	78	29	58.2%
Administrative & Waste Services	124	\$19,450	2,047	2,046	1,833	1,814	-233	-11.4%
EDUCATION & HEALTH SERVICES **	245	\$31,558	8,890	9,255	9,421	9,355	465	5.2%
Educational Services **	44	\$32,098	3,369	3,327	3,241	3,389	20	0.6%
Health Care & Social Assistance **	201	\$31,286	5,521	5,928	6,180	5,967	446	8.1%
LEISURE & HOSPITALITY SERVICES	250	\$14,557	4,820	5,136	5,155	4,981	161	3.3%
Arts, Entertainment, & Recreation	32	\$24,882	1,462	1,477	1,556	1,524	62	4.2%
Accommodation & Food Services	218	\$10,004	3,358	3,659	3,599	3,458	100	3.0%
OTHER SERVICES	229	\$18,104	1,417	1,336	1,307	1,334	-83	-5.9%
FEDERAL, STATE, & LOCAL GOVERNMENT	94	\$31,951	7,449	7,577	7,477	7,537	88	1.2%

* NAICS - North American Industry Classification System

** Includes private and government employment in this industry.

*** Data suppressed due to confidentiality restrictions.

Notes: (1)Data may not add to total due to rounding, suppression of confidentiality numbers, inclusion of unclassified data, and duplication of government employment numbers. (2) Industries listed are "privatized industry" unless otherwise noted.

Source: Indiana Department of Workforce Development, Labor Market Information Unit

From Number of Firms to Employment Growth

From 2001 to the first half of 2004, the total number of firms increases slightly from 2,501 to 2,506 firms in LaPorte County. Porter County experiences a significant increase from 3,172 to 3,347 firms. The three highest number of firms in LaPorte County are in the categories of Trade, Transportation & Utilities (652), Construction (316), and Professional & Business Services (296). Porter County follows a similar pattern with 807, 486 and 487 firms, respectively.

Tables 3 and 4 show the changing view of employment distribution. In 2001, the first three categories in these tables: Natural Resources & Mining, Construction and Manufacturing constitute 27.93 and 27.99 percent of the total employment in LaPorte and Porter counties, respectively. However, during the first half of 2004, the

employment shares in these categories have dropped to 25.85 and 24.44 percent in LaPorte and Porter counties, respectively. While employment declines are found in most categories in LaPorte County, the employment gains since 2001 can be found in Natural Resources & Mining (45 jobs or 13.2 percent), Information (87 jobs or 11.9 percent), and Education & Health Services (465 jobs or 5.2 percent). For Porter County, the gains are in the categories of Education & Health Services (1,186 jobs or 10.6 percent) and Leisure & Hospitality Services (537 jobs or 10.1 percent). Following the national trend, LaPorte and Porter counties have transformed themselves from a manufacturing to a service based economy. While some Midwest counties in particular, suffered more economic dislocation than other regions of the country, due to its unique concentration in manufacturing activities, both LaPorte and Porter counties seem to hold their own.

Average Wage by Type of Occupations

According to Table 3 and 4, although the trade and services industry is more dominant in employment, the first half of 2004 average wages in LaPorte (\$26,170) and Porter (\$28,109) counties are below all industries average of \$29,164 and \$32,884, for the respective counties. The 2001 trade and services industry average wages in LaPorte (\$24,710) and Porter (\$25,541) counties were also below all industries average of \$27,958 and \$31,699, respectively. In the first half of 2004, Utilities took a lead in average pay of \$69,762 and \$66,588 in LaPorte and Porter counties, respectively. The next high average wages for LaPorte County are in the categories of Management of Companies and Enterprises (\$57,126) and Construction (\$40,070). The top three annualized average wages in Porter County are Utilities (\$66,588), Mining (\$60,368) and Manufacturing (\$55,640). These categories (including manufacturing and construction) represent about 25.72 percent and 24.35 percent of total employment in LaPorte and Porter counties, respectively.

Employment Indicators Are Slightly Positive

The latest report from Bruce F. Bendull, labor market analyst for the Indiana Department of Workforce Development, indicates slightly positive employment indicators for both counties. Initial claims totals for unemployment benefits from the LaPorte unemployment insurance office, the office having records for claimants in Porter and LaPorte counties, revealed lower monthly new claims in 2004 over the months of 2003. All but the first two months of 2004 showed lower new claims levels over the same months of 2003 with the yearly total going from 19,560 to 17,128 claims by 2004, a decline of 2,432 or 12.4 percent. Indiana overall was also down by 7.5 percent from 2003 to 2004.

(Table 4)

PORTER COUNTY NUMBER OF FIRMS, WAGE AND EMPLOYMENT

Industry Sectors (NAICS)*	2004 Thru 2Q Avg No. of Firms	2004 Thru 2Q Annualized Avg Wage	Average Employment				Employment Change	
			2001	2002	2003	2004 2Q	Numerical 2001-04	% 2001-04
TOTAL EMPLOYMENT **	3,347	\$32,884	53,508	52,310	52,253	52,165	-1,343	-2.5%
NATURAL RESOURCES & MINING	13	\$51,222	295	241	258	245	-50	-16.9%
Agriculture, Forestry, Fishing, & Hunting	8	\$15,344	95	63	72	50	-46	-47.9%
Mining	5	\$60,368	200	178	186	196	-5	-2.3%
CONSTRUCTION	486	\$39,264	3,863	3,556	3,601	3,583	-280	-7.2%
MANUFACTURING	140	\$55,640	10,821	10,368	9,653	8,921	-1,901	-17.6%
TRADE, TRANSPORTATION, & UTILITIES	807	\$29,215	***	***	***	***	N/A	N/A
Wholesale Trade	256	\$42,528	2,464	2,346	2,400	2,372	-92	-3.7%
Retail Trade	413	\$20,804	6,390	6,399	6,410	6,379	-11	-0.2%
Transportation & Warehousing	134	\$35,140	1,583	1,613	1,591	2,072	489	30.9%
Utilities	4	\$66,588	***	***	***	***	N/A	N/A
INFORMATION	38	\$41,236	668	583	477	646	-22	-3.3%
FINANCIAL ACTIVITIES	320	\$31,606	1,818	1,767	1,799	1,823	5	0.2%
Finance & Insurance	185	\$36,254	1,185	1,193	1,209	1,252	67	5.6%
Real Estate, Rental & Leasing	136	\$21,408	633	574	590	571	-62	-9.8%
PROFESSIONAL & BUSINESS SERVICES	487	\$31,815	3,614	3,337	3,432	3,718	104	2.9%
Professional & Technical Services	314	\$37,342	1,475	1,498	1,585	1,684	209	14.1%
Management of Companies & Enterprises	10	\$50,834	83	103	94	103	20	24.1%
Administrative & Waste Services	164	\$25,980	2,056	1,736	1,753	1,931	-125	-6.1%
EDUCATION & HEALTH SERVICES **	393	\$30,998	11,180	11,443	11,998	12,366	1,186	10.6%
Educational Services **	77	\$28,300	5,652	5,672	5,748	5,947	295	5.2%
Health Care & Social Assistance **	316	\$33,486	5,528	5,771	6,250	6,419	891	16.1%
LEISURE & HOSPITALITY SERVICES	292	\$10,876	5,323	5,407	5,560	5,860	537	10.1%
Arts, Entertainment, & Recreation	38	\$17,012	524	631	700	783	259	49.4%
Accommodation & Food Services	255	\$9,938	4,799	4,776	4,860	5,077	278	5.8%
OTHER SERVICES	321	\$17,824	2,069	1,946	1,872	1,910	-160	-7.7%
FEDERAL, STATE, & LOCAL GOVERNMENT	120	\$31,299	8,560	8,570	8,663	8,945	385	4.5%

* NAICS - North American Industry Classification System

** Includes private and government employment in this industry.

*** Data suppressed due to confidentiality restrictions.

Notes: (1) Data may not add to total due to rounding, suppression of confidentiality numbers, inclusion of unclassified data, and duplication of government employment numbers. (2) Industries listed are "privatized industry" unless otherwise noted.

Source: Indiana Department of Workforce Development, Labor Market Information Unit

A broader indicator of the health of the labor market is estimated area unemployment. In retrospect, employment rates that had increased significantly the year after the 9-11 attacks have gradually been coming down. LaPorte County's rate went from an average 7.1 percent unemployed for 2002 to an average 6.0 percent for 2004. Porter County's rate of 5.1 percent for 2002 declined to an average 4.5 percent for 2004. The overall Indiana rate held steady at 5.1 percent for each of the three years. Both counties showed a downward trend from January to December in 2004. Taking seasonal factors into consideration the trend was still downward. LaPorte went from 7.5 percent at the start of the year to 5.4 percent by year's end with Porter moving similarly from 5.8 percent to 4.2 percent for the same period. Bendull expects a continuation of the trend in 2005 as the local economy shows increasing growth. Despite higher

employment numbers, a concern for the area is the quality of the area jobs. Policy makers need to assess whether these jobs are strong enough to provide a living wage with health benefits. On that note, Wasylenko and McGuire (2001, A Jobs and Taxes: The Effect of Business Climate on States' Employment Growth Rates, National Tax Journal, 497-511) found that the wage rate was negatively related to employment growth for wholesale trade, retail trade and finance. Another concern is a continued decline in manufacturing employment in the region which may be due in part to outsourcing. Maintaining high levels of income creates the climate in which employment growth can remain strong. Existing literature in regional studies suggests that while keeping general local government expenditure low, increases in necessary expenditures on education and infrastructure can promote a positive business climate.

NEW AREAS: DEPARTMENT OF BUSINESS

Law and Commerce

A new Law and Commerce Major has been approved within the Department of Business at PNC. The program offers courses such as Agency and Sports Law, Law and Society, Constitutional Law, Forms of American Business and their Regulation and Employment and Labor Law. For non-business majors there is a minor in Legal Studies with the same core of courses.

Economics

The Economics Faculty in the Business Department at PNC have expanded the opportunities for students to study economics. The following programs are now offered:

Bachelor of Science in Business with an emphasis in Economics is for business students who wish to understand the economic structure and foundations in which business operates. Bachelor of Liberal Studies with a primary focus on Economics is a rigorous approach to Economics for students wishing to enter public policy or continue into graduate school. A minor in Economics is available to all majors and will give students a basic understanding of how an economy operates.

Business students can also concentrate in accounting, management and marketing. Students may combine any two concentrations to create a personalized focus to their undergraduate programs in business.

BUSINESS BOOK CLUB

For an interesting read for the strategy enthusiast, Daniel P. Rutledge, Ph.D., Associate Professor of Business suggested *Economic Foundations of Strategy*, by Joseph T. Mahoney (Sage Publications, Inc.; 2005).

The content is markedly different from today's texts on strategy that cover the market structure, diversification, organizational behavior and implementation. Instead, five areas of economics are presented (behavioral, transaction cost, property rights, agency, resource-based theories) to explain how strategy is formed in a profit-oriented organization. Equally important to strategy purists is the exquisite thinking condensed by the author of leading economists: Arrow, Coase, Cyert, March, Nelson, Simon, Williamson, Winter to name but a few.

BUSINESS FACULTY REFEREED PUBLICATIONS

Selected 2004-05

During the 2004-05 academic year, Business faculty members published the following articles. PNC faculty members are in boldface.

"Examining Corporate Preference in Cash Flow Format." **Brahmasrene, T.**, Strupeck, C. and **Whitten, D.**, *The CPA Journal*, October 2004.

"Do Size And Sector Matter In The Pass-Through To U.S. Export Pricing?" Huang, J. and **Brahmasrene, T.**, *Journal of Business Economics Research*, Volume 6, Number 1 & 2, 2004.

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Dr. Tantatape **Brahmasrene's** proposal, "Measuring Emerging Stock Market Correlations Utilizing the Gravity Model" was accepted for presentation at the 2005 Financial Management Association European Conference to be held at the University of Siena, Italy.

EDITORSHIP

Dr. Tantatape **Brahmasrene** edited a special issue of *Managerial Finance*, (Volume 30, Number 12) published in U.K. by Barmarick Publications. The theme of the special issue is "Contemporary Issues in Markets, Institutions and Prices," with articles being evaluated on whether they are practitioner oriented, innovative, theoretically sound, reflect awareness of current theory and previous research, and cover an important topic.

AWARDS AND HONORS

Drs. Derek **Bjonback** and Tantatape **Brahmasrene** received the 2004 George C. Roberts Outstanding Paper Award from the Indiana Academy of the Social Sciences (IASS) for their article "A Regional Perspective on Employment Growth for Smaller Midwest Metropolitan Areas" published in *Journal of the Indiana Academy of the Social Sciences*.



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