

This issue of ECONTRENDS compares information and statistical data on the industry sector with respect to firms, wage and employment. The report concludes with the employment outlook between neighboring LaPorte and Porter Counties.

Volume 18, Number 1, 2007

Recent Trends in the Labor Markets

The nation's economic consequence may reverberate through the area labor markets of LaPorte and Porter Counties. Therefore, labor force and employment indexes are constructed to compare their cyclical movement in the same scale among LaPorte County, Porter County, the State of Indiana and the nation. The labor force consists of employed and unemployed residents of specific geographic areas. Figure 1 shows the labor force index. The LaPorte County index peaked in June 2002 at 102.19, or increased from the 2001 reference year by 2.19 percent. It then took a roller coaster ride and stayed above 100 for only a few months. The Porter County index showed a similar pattern, but managed to stay above 100. It peaked in June 2006 at 106.82. The Indiana index reached the highest point of 105.16 in July 2006, while US index reached 107.75 in July 2007.

LaPorte County Employment Index Trended Below the Baseline

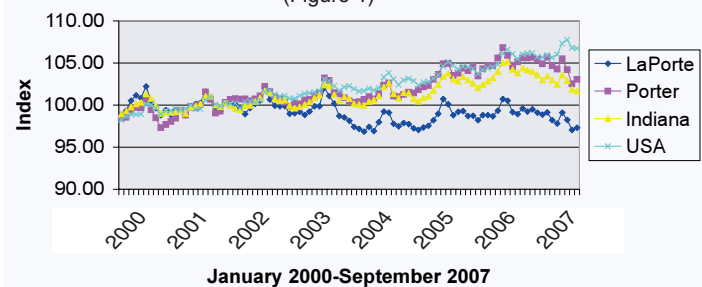
The employment indexes in Figure 2 seem to move up and down together. Porter County and Indiana indexes peaked in June 2006 at 105.97 and 104.07, respectively. The U.S. index reached the highest in July 2007 at 107.58. All indexes moved up and down together. However, the LaPorte County index was merely 100.11 in June 2002 and trended down below the reference year (2001=100) most of the time. The slow growth and decline in manufacturing employment may have contributed to this problem as workers seek more rewarding opportunities outside the region.



Dr. Tantatape Brahmasrene
Professor of Economics & Business,
College of Business, a 2001 J. William Fulbright
Senior Scholar and a 2003 Fulbright Senior
Specialist, was awarded Fulbright Senior
Specialist grant for Kazakhstan in 2007.

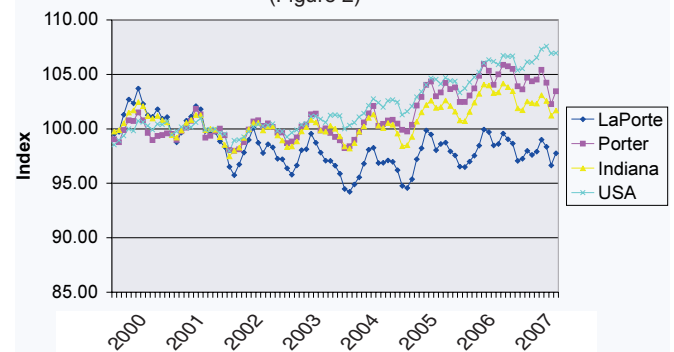
Monthly Labor Force Index (2001=100)

(Figure 1)



Monthly Employment Index (2001=100)

(Figure 2)



Source: Figures 1 & 2 Analysis derived from U.S. Bureau of Labor Statistics

LaPorte County suffered more economic dislocation than other regions of the state, due to its unique concentration in manufacturing activities. Following the national trend, Porter County has transformed itself from a manufacturing to a service-based economy. The changing view of employment distribution within the last six years can be seen in tables 1 and 2.

MBA Class Graduation

Congratulations to our second class of MBA graduates at PNC, Sept. 2007!

Stephen Laherty	Chesterton	Nancy Hiatt	Porter
Kris Bloos	LaPorte	Nicholas Bohr	Valparaiso
David Gierke	LaPorte	Sandra Gazler	Valparaiso
Mary Koselke	LaPorte	Kyle Smith	Valparaiso
Kevin McGuire	LaPorte	Bryan Tomky	Valparaiso
Karen Braddy	Michigan City	Rebecca Trinks	Valparaiso
Calla Dolph	Michigan City	Jacqueline Vanek	Valparaiso
Wajdi Kamleh	Michigan City	Juan Nieves	Westville
Thomas Carpentier	Portage		

(Table 1)

Number of Firms, Wage & Employment – LaPorte County

INDUSTRY SECTORS (NAICS)*	2006		INDIANA		AVERAGE			NUMERICAL PERCENT	
	NO. OF FIRMS	2006 WAGES	2006 WAGES	2001	2005	2006	CHANGE 2001-2006	CHANGE 2001-2006	
TOTAL EMPLOYMENT **	2,533	31,340	36,551	46,868	45,085	44,841	-2,027	-4.3%	
NATURAL RESOURCES & MINING	37	26,070	36,890	342	288	258	-84	-24.6%	
Agriculture, Forestry, Fishing, & Hunting	32	23,711	26,930	248	238	224	-24	-9.7%	
Mining	5	40,921	55,421	94	50	34	-60	-63.8%	
CONSTRUCTION	313	43,476	42,114	2,341	2,215	2,128	-213	-9.1%	
MANUFACTURING	195	40,833	49,947	10,406	9,341	9,478	-928	-8.9%	
TRADE, TRANSPORTATION, & UTILITIES	663	27,754	31,986	9,061	8,430	8,465	-596	-6.6%	
Wholesale Trade	161	41,041	49,672	1,181	1,236	1,232	51	4.3%	
Retail Trade	420	20,358	22,156	5,975	5,609	5,676	-299	-5.0%	
Transportation & Warehousing	78	39,010	36,961	1,609	1,329	1,304	-305	-19.0%	
Utilities	4	71,079	67,157	296	256	253	-43	-14.5%	
INFORMATION	33	33,715	44,698	724	668	655	-69	-9.5%	
FINANCIAL ACTIVITIES	204	33,791	46,154	1,503	1,290	1,272	-231	-15.4%	
Finance & Insurance	112	38,120	51,497	869	924	917	48	5.5%	
Real Estate, Rental & Leasing	92	22,570	31,576	634	366	355	-279	-44.0%	
PROFESSIONAL & BUSINESS SERVICES	306	25,418	37,202	2,901	2,776	2,758	-143	-4.9%	
Professional & Technical Services	171	32,854	48,889	805	774	757	-48	-6.0%	
Management of Companies & Enterprises	7	51,688	73,637	49	99	89	40	81.6%	
Administrative & Waste Services	128	21,255	24,256	2,047	1,903	1,912	-135	-6.6%	
EDUCATION & HEALTH SERVICES **	231	33,824	35,961	8,890	9,142	9,028	138	1.6%	
Educational Services **	42	32,807	34,427	3,369	3,244	3,199	-170	-5.0%	
Health Care & Social Assistance **	189	34,381	37,009	5,521	5,898	5,829	308	5.6%	
LEISURE & HOSPITALITY SERVICES	260	15,648	14,503	4,820	5,229	5,307	487	10.1%	
Arts, Entertainment, & Recreation	35	27,029	27,699	1,462	1,620	1,662	200	13.7%	
Accommodation & Food Services	225	10,461	12,106	3,358	3,609	3,645	287	8.5%	
OTHER SERVICES	224	18,772	24,000	1,417	1,345	1,307	-110	-7.8%	
FEDERAL, STATE, & LOCAL GOVERNMENT	91	33,117	36,184	7,449	7,307	7,071	-378	-5.1%	

Source: Indiana Department of Workforce Development, Research and Analysis Unit

Transformation to a Service-Based Economy

In Porter County, the total employment increased by 3.9 percent (or 2,076 jobs) from 2001 to 2006. Most numerical gain was in the categories of (1) education and health services; (2) trade, transportation and utilities; and (3) construction. Three out of eleven categories that incurred job loss were (1) manufacturing (-1,924 jobs), (2) information and (3) natural resources and mining.

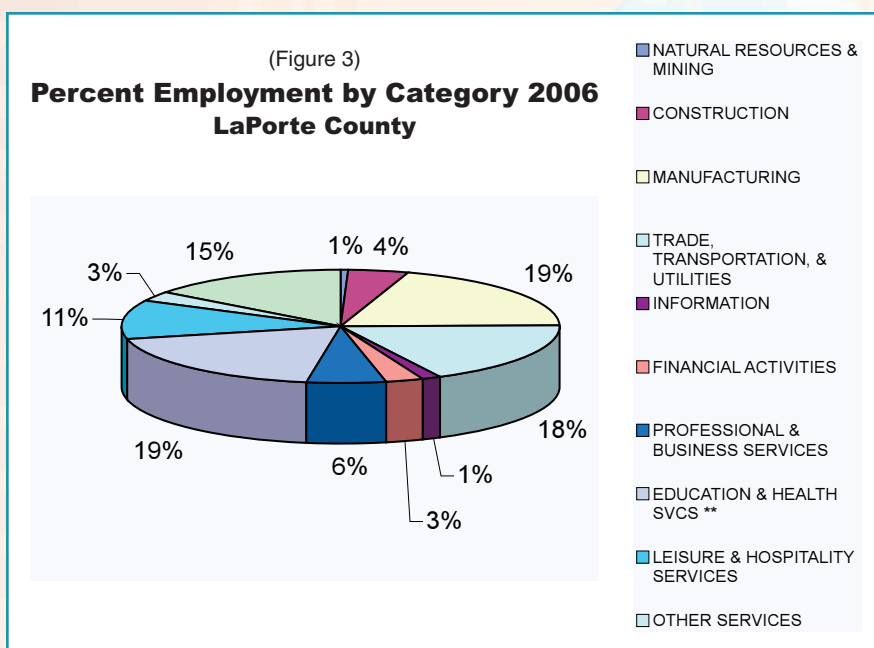
During 2001-2006, LaPorte County's total employment fell by 4.3 percent (or 2,207 jobs), mainly in (1) manufacturing (-928 jobs); (2) trade, transportation and utilities; and (3) government at all

levels. Employment gain was in only two categories: (1) leisure and hospitality services and (2) education and health services.

In 2006, the leading employment categories by industry in LaPorte County were (1) manufacturing; (2) education and health services; and (3) trade, transportation and utilities, which accounted for approximately 18.9 to 21 percent of the total industry employment (Table 1).

The picture is quite different in Porter County, where the top three employment categories by industry were (1) education and health services; (2) trade, transportation and utilities; and (3) government at all levels, which accounted for approximately 16 to 23 percent of total industry employment (Table 2).

Note that data used in figures 3 and 4 may not add to their total in tables 1 and 2 due to rounding, suppression of confidential numbers, inclusion of unclassified data, and duplication of government employment numbers. These pie charts serve as a bird's eye view of employment share.



Source: Analysis derived from Indiana Department of Workforce Development

* NAICS - North American Industry Classification System

Notes: 1. Data may not add to total due to rounding, suppression of confidential numbers, inclusion of unclassified data, and duplication of government employment numbers.

2. Industries listed are "private industry" unless otherwise noted.

** Includes private and government employment in this industry.

*** Data suppressed due to confidentiality restrictions.

The Average Wages Barely Kept Up With Inflation ...

Depending on whether nominal or real average wages are considered, in LaPorte County, the average wages in 2006 were \$31,340, an increase of 10.47 percent from \$28,369 in 2002 (Table 1). The 2002 and 2006 average wages in Porter County were \$32,449 and \$36,742 (Table 2), respectively, representing an increase from 2002 by 13.23 percent. Note that the 2002 and 2006 Midwest consumer price index (CPI, 1982-84=100) was 174.9 and 193, respectively. Thus, the inflation rate between 2002 and 2006 was 10.35 percent. The average wages just barely covered the higher price level of 10.35 percent during that same period.

Porter County average wages in 2006 were higher than the State of Indiana. Three categories that showed higher than the state level were (1) manufacturing, (2) natural resources and mining, and (3) construction. In LaPorte County, the average wages were lower than the state's average with two categories (leisure and hospitality services, and construction) that were slightly higher.

Manufacturing Payroll-Employment Share Ratio

Employment alone may not render a clear picture. In general, manufacturing wages are higher than wages in other industries. Manufacturing workers in LaPorte and Porter Counties generated about 27.5 and 29.8 percent, respectively, of total payroll in 2006. Furthermore, manufacturing workers in LaPorte and Porter Counties accounted for about 21.14 and 16 percent of total employment. Therefore, the ratios of payroll to employment share in LaPorte and Porter Counties were 1.3 and 1.86, respectively.

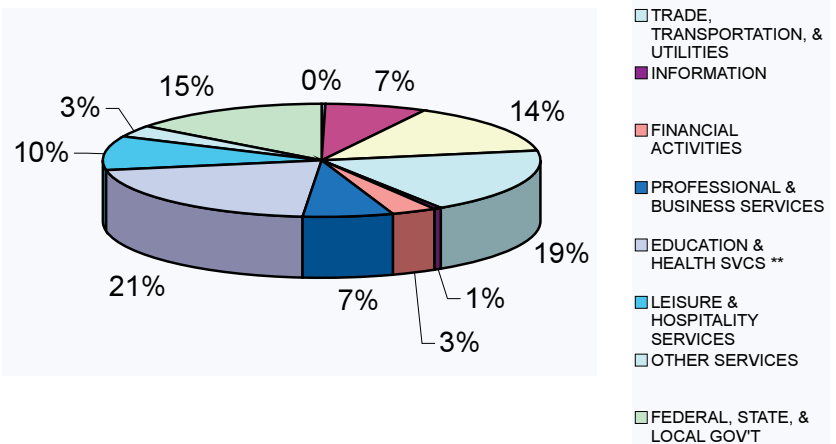
(Table 2)

Number of Firms, Wage & Employment – Porter County

INDUSTRY SECTORS (NAICS)*	2006		INDIANA	AVERAGE			NUMERICAL		PERCENT
	NO. OF FIRMS	WAGES	2006	EMPLOYMENT	2001	2005	2006	CHANGE 2001-2006	CHANGE 2001-2006
TOTAL EMPLOYMENT **	3,510	36,742	36,551	53,508	54,300	55,584	2,076	3.9%	
NATURAL RESOURCES & MINING	11	47,320	36,890	295	227	240	-55	-18.6%	
Agriculture, Forestry, Fishing, & Hunting	6	17,169	26,930	95	44	43	-52	-54.7%	
Mining	5	53,812	55,421	200	183	197	-3	-1.5%	
CONSTRUCTION	530	45,895	42,114	3,863	4,019	4,508	645	16.7%	
MANUFACTURING	138	68,492	49,947	10,821	8,983	8,897	-1,924	-17.8%	
TRADE, TRANSPORTATION, & UTILITIES	828	31,441	31,986	10,726	11,390	11,387	661	6.2%	
Wholesale Trade	264	45,886	49,672	2,464	2,668	2,711	247	10.0%	
Retail Trade	417	22,182	22,156	6,390	6,677	6,573	183	2.9%	
Transportation & Warehousing	144	37,929	36,961	1,583	1,783	1,838	255	16.1%	
Utilities	3	68,451	67,157	289	262	265	-24	-8.3%	
INFORMATION	31	43,911	44,698	668	495	490	-178	-26.6%	
FINANCIAL ACTIVITIES	354	34,435	46,154	1,818	1,856	1,892	74	4.1%	
Finance & Insurance	201	39,431	51,497	1,185	1,270	1,311	126	10.6%	
Real Estate, Rental & Leasing	153	23,164	31,576	633	586	581	-52	-8.2%	
PROFESSIONAL & BUSINESS SERVICES	537	34,132	37,202	3,614	3,890	4,122	508	14.1%	
Professional & Technical Services	346	43,681	48,889	1,475	1,705	1,699	224	15.2%	
Management of Companies & Enterprises	13	58,485	73,637	83	111	131	48	57.8%	
Administrative & Waste Services	178	25,666	24,256	2,056	2,074	2,292	236	11.5%	
EDUCATION & HEALTH SERVICES **	402	33,245	35,961	11,180	12,429	12,850	1,670	14.9%	
Educational Services **	86	29,236	34,427	5,652	5,865	5,995	343	6.1%	
Health Care & Social Assistance **	316	36,751	37,009	5,528	6,564	6,855	1,327	24.0%	
LEISURE & HOSPITALITY SERVICES	298	10,938	14,503	5,323	5,870	5,938	615	11.6%	
Arts, Entertainment, & Recreation	40	14,148	27,699	524	720	622	98	18.7%	
Accommodation & Food Services	258	10,564	12,106	4,799	5,150	5,316	517	10.8%	
OTHER SERVICES	317	19,932	24,000	2,069	2,024	2,129	60	2.9%	
FEDERAL, STATE, & LOCAL GOVERNMENT	121	32,932	36,184	8,560	8,941	9,029	469	5.5%	

Source: Indiana Department of Workforce Development, Research and Analysis Unit

(Figure 4)
**Percent Employment by Category 2006
Porter County**



Source: Analysis derived from Indiana Department of Workforce Development

continued from page 3

In 2001, the proportions of payroll contributed by manufacturing workers in LaPorte and Porter Counties were 29 and 32.5 percent, respectively. However, the shares of manufacturing employment were 22.2 percent in LaPorte County and 20.2 percent in Porter County. These imply that payroll to employment share ratios in LaPorte and Porter Counties were 1.3 and 1.61, respectively. The higher ratio indicates that the manufacturing employment share falls faster than the manufacturing payroll.

Despite the decline in manufacturing employment, retailers and counties still depend largely on manufacturing workers' income to support sales and taxes. The slight increase in ratios from 1.61 to 1.86 in Porter County would suggest that the local economy relies even more on manufacturing employment for its economic base as it offers high average wages.

Selected 2007 Occupations and Starting Wages

In order to minimize some frictional unemployment, Indiana Department of Workforce Development (DWD) offers job matching services at no cost to job seekers or employers. The Research and Analysis Unit of DWD's Strategic Research and Development publishes information about the types of job openings received and the starting wages listed with DWD. The report summarizes the permanent full-time listings received from employers for the twelve-month period and the geographic area specified on the front of this publication. Job seekers may find this report to be a useful tool in identifying the frequency of job openings and the starting wages typically offered. In addition, the information presented may be useful to those who are choosing or changing careers if potential wages are a critical factor in making career choices. Table 3 provides a 12-month report of selected 2007 occupations and starting wages from October 2006 to September 2007. The description lists occupational titles according to the Occupational Employment Statistics classification system. According to DWD's Research and Analysis Unit, "Job listings may be assigned more than one occupational description. The number column, therefore, reports the number of times the occupational description was considered appropriate for the jobs listed rather than the actual number of job openings."

Table 3

Occupations and Starting Wages		Lake, Porter, LaPorte, Newton, Jasper, Starke, Pulaski Counties			
Category	Occupation Description	Number	Min Hourly Wages	Average Hourly Wages	Max Hourly Wages
Health Care Work	Doctors of Medicine (MD)	1	\$68.08	\$68.08	\$68.08
	Registered Nurses (RN)	5	\$18.00	\$20.62	\$24.04
	Licensed Practical Nurses (LPN)	9	\$15.00	\$17.46	\$24.04
	Medical & Clinical Lab Technologists	10	\$22.10	\$22.10	\$22.10
Computer Science Work	Computer Engineers	6	\$14.00	\$21.86	\$28.85
	Computer Systems Analysts	2	\$14.00	\$26.00	\$38.00
	Programmers : Numerical Tool & Process	6	\$10.00	\$20.42	\$25.00
	Computer and Information Systems Managers	1	\$38.46	\$38.46	\$38.46
Engineers	Civil & Traffic Engineers	14	\$21.63	\$26.42	\$30.60
	Mechanical Engineers	16	\$16.35	\$23.99	\$28.85
	Electrical Engineers	13	\$19.80	\$27.59	\$51.44
Finance Work	Financial Managers, Branch Or Department	11	\$12.02	\$20.10	\$33.65
	Accountants	17	\$9.00	\$16.74	\$28.85
	Financial Counselors	2	\$37.50	\$37.50	\$37.50
Managers	Industrial Production Managers	15	\$10.00	\$21.41	\$33.65
	Computer and Information Systems Managers	1	\$38.46	\$38.46	\$38.46
	Food Service Managers	27	\$9.00	\$12.69	\$20.00
Factory Work, Major Employers	1st Line Supv : Production	29	\$10.00	\$18.14	\$26.44
	Production Machinery Maint Mechanics	74	\$9.50	\$17.55	\$28.85
	Welding Machine Operators	29	\$10.00	\$12.69	\$19.72
	Electrical & Electronic Equipment Assembly	3	\$10.00	\$18.70	\$27.40
Construction Work	Electricians	33	\$9.00	\$16.40	\$24.04
	Electrical Utility Troubleshooters	7	\$15.50	\$20.34	\$27.40
	Plumbers	20	\$10.00	\$17.76	\$22.00
Mechanics, Installers, Repairers	Millwrights And Machinery Erectors	38	\$15.89	\$18.39	\$23.89
	Electronics Mechanics and Technicians	4	\$15.00	\$19.26	\$22.78
	Heating and Air Conditioning Mechanics (HVAC)	14	\$10.00	\$14.00	\$22.00

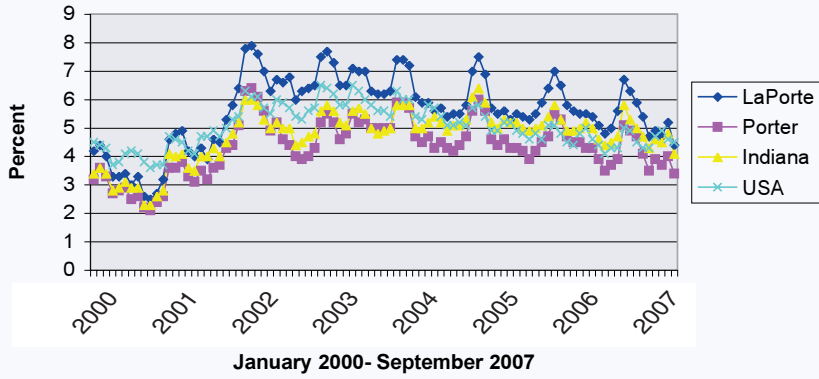
Note: Offices of the Indiana Department of Workforce Development (DWD) provide the full report of the permanent full-time listings received from employers for the twelve-month period.

Outlook

A broader indicator of the health of the labor market is estimated area unemployment. Figure 5 provides the monthly unemployment picture. The latest figures available at press time show that in September, the unemployment rates in both counties appear to be lower than September of the previous year. The unemployment rates for September of this year were 4.1 percent (132,410 unemployed out of 3,204,388 labor force), 4.4 percent (2,292 unemployed out of 52,669 labor force) and 3.4 percent (2,746 unemployed out of 81,235 labor force) for the State of Indiana, LaPorte and Porter Counties, respectively. These numbers are not seasonally adjusted and will be revised in the future. The averages will likely be worse by the end of this year due to season-related factors. They increase towards the cold season and gradually decline towards springtime. Employment figures can be obtained by subtracting number of unemployed from the labor force.

Monthly Unemployment Rate

Figure 5



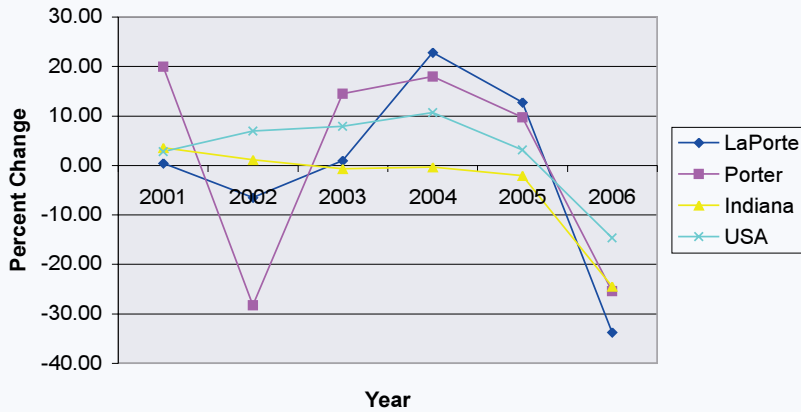
Source: Analysis derived from U.S. Bureau of Labor Statistics

Decline in Residential Building Permits

From 2005 to 2006, new residential building permits in LaPorte County decreased from 577 to 382 units, representing a -33.8 percent reduction (Figure 6 and Table 4). In dollar terms, the construction costs for these permits decreased by -17.31 percent from \$73,699,000 to \$60,941,000. Porter County reported a decline of -25.44 percent from 1,411 in 2005 to 1,052 units in 2006. The value of construction costs decreased by -16.79 percent from \$269,763,000 to \$224,467,000.

Building Permits

Figure 6



Source: Analysis derived from U.S. Census Bureau

Purchasing Power

The 2006 average wages in LaPorte and Porter Counties have gone up from the 2002 level by 10.47 and 13.23 percent, respectively, while the cost of living index in the Midwest has advanced by 10.35 percent during that period. To avoid being subject to the money illusion, the real average wages (adjusted for inflation) in LaPorte and Porter Counties has increased by 0.11 and 2.61 percent, respectively from 2002. These represent an average annual wage increase of 0.02 in LaPorte County and 0.52 percent in Porter County. The inflation rate for the first three quarters of 2007 is about 2.33 percent. Purchasing power will deteriorate if consumer income does not surpass the inflation rate. Stagnation in real wages or purchasing power can trigger lower consumer confidence and reduces consumer spending.

(Greene County totals are not included as it does not currently issue building permits). Indiana totals are an IBRC created sum of the county data. U.S. and state totals are estimates prior to 1999 and are an IBRC created sum of the county data for 1999 forward. County data are counts with imputation of missing data. Cost detail may not sum to totals due to rounding.

Table 4

Building Permits LaPorte and Porter Counties

Year	Total	%Change	1 Family	2 Family	3 & 4 Family	5 or More
LaPorte						
2000	440		418	2	20	0
2001	442	0.45	406	28	8	0
2002	413	-6.56	392	0	21	0
2003	417	0.97	396	0	21	0
2004	512	22.78	419	0	13	80
2005	577	12.70	441	0	10	126
2006	382	-33.80	375	0	7	0
Porter						
2000	1,107		846	54	32	175
2001	1,328	19.96	860	44	16	408
2002	952	-28.31	823	58	11	60
2003	1,090	14.50	980	94	0	16
2004	1,286	17.98	1,203	52	13	18
2005	1,411	9.72	1,272	68	65	6
2006	1,052	-25.44	926	70	26	30

Source: Analysis derived from U.S. Census Bureau

Poor economic fundamentals such as the slow housing market (Econtrends Spring 2007), mortgage meltdown, higher gas prices and unemployment rates, a decline in residential building permits, consumer confidence and U.S. dollar value, may further contribute to the deceleration of the local economy. And as a result, the local economy may not show favorable conditions in the upcoming year.

Archived issues of econtrends can be retrieved at <http://www.pnc.edu/depts/gb/econtrends.html>

News from the College of Business 2007

PNC Names Alan G. Krabbenhoft Dean of the College of Business



The Purdue University Board of Trustees has approved the appointment of Dr. Alan G. Krabbenhoft as dean of the College of

Business and Professor of Business at Purdue University North Central. His appointment includes serving as the PNC Teddy Jacobi Faculty Scholar in Business.

As dean of the College of Business, Krabbenhoft will lead the activities of the Department of Business, the Department of Organizational Leadership and Supervision and the Master of Business Administration (MBA) program.

He earned his Ph.D. and his master's degree, both in Economics, from Wayne State University in Detroit and holds a bachelor's degree in Economics from Moorhead State University, (now Minnesota State University Moorhead) in Moorhead, Minnesota.

College of Business Book Club

Sarah Sanders Smith suggests *Making Globalization Work* by Joseph E. Stiglitz (hardback on September 18, 2006 and paperback on September 4, 2007)

Fifteen years ago, the rise of globalization was applauded as a movement which would encourage stable governments and better lifestyles. Today, the globalization story includes inequality, poverty, and crisis. What is equitable globalization, and how can it be attained? In *Making Globalization Work*, Joseph Stiglitz presents an informative, balanced and well-written discussion. His courage to propose solutions that are desirable for all, but may not be to the liking of the powerful, serves as a worthy counterpoint to Thomas Friedman's popular *The World is Flat* (2005).

Cynthia Roberts Earns Chair of Organizational Leadership and Supervision, and Business

A member of the PNC faculty since 2000, Cynthia Roberts associate professor of Organizational Leadership and Supervision, earned her bachelor's

degree from Northern Illinois University and holds two master's degrees from Loyola University in Chicago.

She earned an outstanding teacher award for 2007 through a comprehensive process that included student and peer evaluations. In September 2007, she was named chair of Organizational Leadership and Supervision, and Business.



Awards & Accomplishments

G. William Back, Vice Chancellor for Administration, M.B.A., J.D., has taught business law classes at both undergraduate and graduate levels in College of Business for a number of years. Mr. Back recently was able to secure the gift of the Porter County Center for Purdue North Central from Parke & Associates, Real Estate Consulting & Investment. "This approximately four million dollar gift is not only the largest gift to PNC by far, but represents the gift of a campus that will have significant strategic value for the growth and future of PNC," said Back. Congratulations!

Dr. Tantanape Brahmasrene Professor of Economics & Business was awarded The J. William Fulbright Senior Specialist 2007 at Ryskulov Kazakh Economic University Kazakhstan, and 2007 Distinguished Research Award from Academy of Economics and Economic Education.

Refereed Published Journals

Since April 2007, College of Business faculty members published the following articles:

Department of Business

Dr. Tantanape Brahmasrene co-authored "Cointegration and Causality Between Stock Index and Macroeconomic Variables in an Emerging Market." *Academy of Accounting and Financial Studies Journal*, Volume 11, Number 2, 2007. He also presented "The Relationship Between Government Expenditures and Economic Growth in Thailand" at the Sixteenth Annual World Business Congress of the International Management Development Association in Maastricht, The Netherlands, July 4-9, 2007.

Department of Organizational Leadership & Supervision

Sarah Sanders Smith, M.B.A., Assistant Professor of Organizational Leadership & Supervision, co-authored "The State of Kerala, India: A Case Study of Acculturation in Diversity." *Journal of Intercultural Learning*, March 2007.

www.interculturalllearning.net

From



To Kazakhstan

The Fulbright Senior Specialists Program, sponsored by the U.S. Department of State, Bureau of Educational and Cultural Affairs, was created in 2000. Complementing the traditional Fulbright Scholar Program, it provides short-term academic opportunities (two to six weeks) to prominent faculty and professionals in the United States to support curricular and faculty development and institutional planning at post-



secondary, academic institutions around the world. I was one of more than 400 faculty and professionals who traveled abroad this year through the Fulbright Senior Specialists Program. This grant was slightly different from the

traditional Fulbright Senior Scholar for teaching and research. This past summer, I was selected for a project at the Ryskulov Kazakh Economic University (KAZEU) to help in the creation of a western model Ph.D. program in business economics, and in the development and assessment of a few academic curricula. Workshops on computer simulation and distance learning were also conducted.

There are currently 10 Kazakh students enrolled at Purdue West Lafayette, three men in graduate programs, six men and one woman in undergraduate programs. Having direct exposure to Kazakhstan has enhanced my awareness of its economy, social institutions, and its citizens' perception of the world.

Kazakhstan is the largest country in central Asia and the ninth largest country in the world. It is undergoing an economic transformation from centrally planned economies to market-oriented economies among the Commonwealth Independent States (CIS) of Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia, Ukraine and five countries of Central Asia: Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan (associate member).

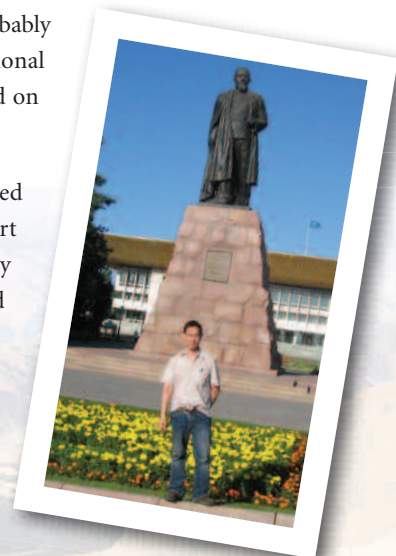
Economic growth rates in CIS are on average higher than those in other developing countries. From 2001 to 2006, the average annual

growth rate was 7.0 percent in CIS, 6.5 percent in developing countries and 4.2 percent in the world. The economic growth rate in Kazakhstan has been well over nine percent since 2000 due to its exports of oil, gas and mineral reserves. Kazakhstan was the first former Soviet republic to repay all of its debt to the International Monetary Fund in 2000, seven years ahead of schedule.

In the end, I did not go to the war zone as some of my colleagues had feared. I probably faced some uncertainty as anyone would before embarking on their appointment abroad. All I could do was just be well prepared and went with the sense of openness which has been enhanced by my travel to more than 80 countries around the globe. I have visited every continent and learned about many cultures. However, each country offers unique opportunities, experiences, and challenges.

This once-in-a-lifetime living not dangerously in Kazakhstan was the most fulfilling aspect of my travel abroad. One day I walked by an English class. It's a small world – the teacher was a former graduate of the Krannert School of Management. I learned a few phrases of Russians and Kazakhs and was able to get around on local buses after a few days. I knew I fit right in when I was asked for directions a few times. Postcards and t-shirts that scream Kazakhstan are not available because tourism is not promoted here. Though, I was surprised to meet two young American backpackers who returned to explore Kazakhstan for the second time. I visited several beautiful natural wonders. Kazakhstan is famous for its hospitality and the originality of its national cuisine. With new friends, I embraced their traditions and customs found in plentiful, delectable food. If you ask Kazakh students in the U.S. what they miss most, they'll probably tell you "horse meat." It is a national delicacy dish, "Beshbarmak," served on special occasions.

The effect of my experiences gained from visiting Kazakhstan is the start of a journey that enriches my collaborative efforts in teaching and research. My time there has been one of excitement, productivity, and best of all, continued growth and discovery through new projects with my colleagues in Kazakhstan.





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