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Final Report of the International Agribusiness Task Force

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Key words: agribusiness, curriculum, education, international, management

Background: The National Food and Agribusiness Management Education Commission (NFAMEC whose materials can be found at <https://www.agecon.purdue.edu/cab/NFAMEC/home.htm>) issued a set of recommendations to the U.S. Department of Agriculture in December 2006 based upon an extensive three year study of agribusiness management curricula in more than 160 four year programs and 40 two year programs in the United States.² The NFAMEC worked with over 40 faculty and industry representatives in preparing recommendations in six key areas: 1) Curriculum Assessment and Revision, 2) Communication/Writing/Critical Thinking Skills, 3) Industry Linkages, 4) Student recruitment, 5) Introductory and Capstone Courses, and 6) Graduate Programs. One of the major recommendations that underlie the specific recommendations in each of the six areas was a need to further internationalize agribusiness management curricula and faculty.

A cover story in the *Wall Street Journal* (December 2, 2002) noted that “Globalizations Gets Mixed Grades in U.S. Universities.” It further explained that not all economic departments in universities were teaching about the impact of globalization. *Time* magazine’s cover story for December 10, 2006 noted that “students are global citizens, . . . , and they need to act that way.” The widely cited report of the New Commission on the Skills of the American Workforce (www.skillscommission.org) released its report December 14, 2006 and noted many limitations of today’s educational system. The Commission (sponsored by the Bill and Melinda Gates Foundation, among others) provides recommendations for changing the educational system and helps prepare students for 21st Century careers. The *Chronicle of Higher Education* (November 2, 2007) noted that “Virtually every college today feels the pressure to prepare its students for an increasingly international world, one in which an understanding of other cultures, economies, and political systems is critical for success. Traditionally, American higher education has relied on study-abroad programs to supply students with many of those perspectives, but institutions are starting to take a hard look at what they’re teaching students on the campus and realizing they’re coming up short.”

At the 2004 NFAMEC preconference, it was noted by many participants that the next “new” class or revision of an existing class would likely be an “international agribusiness class.” Management programs that are accredited by the Association to Advance Collegiate Schools of

¹ Koller endowed professor in agribusiness management and information technology and Director of The Food Industry Center, University of Minnesota.

² The U.S. Department of Agriculture CSREES has sponsored such a commission to study agribusiness management programs every 10 years or so since 1961. While the report of previous Commissions recommended the further internationalization of programs, the research and interviews done by NFAMEC clearly demonstrate the need to make revisions to curricula to further demonstrate the impact of globalization on food businesses and agribusinesses and on trade and agricultural markets.

Business (AACSB) require programs to provide students with information on “domestic and global environments of organizations.” Typically, a business program will require courses in policy, finance, management, or marketing where this knowledge is taught. Agribusiness programs are not subject to accreditation and thus, no such outcome is required in agribusiness management programs. It is not surprising that NFAMEC found that this knowledge to be inadequately taught in many agribusiness programs.

Objective: The objective was to create an International Agribusiness Task Force whose charge is to provide input into how these concepts and ideas can be incorporated into undergraduate agribusiness programs.

What did the Task Force do? Background materials were created to better understand the issues of international agribusiness education. These were done through a series of 19 personal interviews done with industry professionals (Appendix A). These individuals then nominated someone from their firm (if they chose) to be on the task force. In addition, information on international experiences of existing departments historically called agricultural economics was conducted (Appendix B). This information was used to help identify agribusiness economics and management faculty who were asked to serve on the task force. A group of academics and industry professionals met after the Agricultural and Applied Economics Association annual meeting in July 2009. The list of participants is contained in Appendix C. Note that their position titles and firms are listed as of July 2009.

Prior to meeting, the participants were asked to rank their choice of committees to serve on and the committees were created. The three committees were 1) Faculty Expertise, 2) International Agribusiness Policy Concepts, and 3) Role of International Experiences for students. The participants met over two days to discuss and reported back to the full task force on the second day. The information was then collected by each chair into three reports which are contained in appendices D, E, and F. Appendix G contains the schedule for the July meeting.

Appendix A

Summary Overview of Global Issues Employers are Facing in 2009

- The agribusiness industry used to be highly US focused. It is now a global market and consequently agribusiness firms now require “globally literate” employees
- Four different types of business environments which require employees to have increasing levels of international knowledge and experience
 - Domestic (but directly influenced by international)
 - Export
 - International market engagement in developed country
 - Market development in emerging markets
- Breaking current and future employees out of their US centric mold
- Need to expose future employees to international experiences to spark their interests and create a baseline of awareness of international business, markets and issues
- Need for future employees to have an understanding of international consumers, markets, supply and demand factors, rules and regulations, and institutions. Specific knowledge includes:
 - Currency and FOREX
 - International Trade Agreements
 - International legal and tax issues
 - Different cultures
 - Financial systems and business models
 - Import and export tariffs and regulations
 - Logistics
 - Domestic and Foreign Policy
 - Impact of subsidies on international markets
 - E.g. food, feed and fuel debate
 - Food Safety regulation
 - Language skills
- Difficulty of getting students without an agricultural background into the agricultural sector
- Challenges in signaling appropriate career opportunities, compensation, career paths vis-a-vis alternative careers
 - US recession bringing equilibrium back into the HR marketplace
- Diversity (Women and Minority) challenges

Overview of What Employers want in Employees

- All employees must now have at least a baseline understanding of the key functional knowledge and tools for operating firms within a global marketplace
- Willingness to move domestically and internationally
 - Only 7% of employee base willing to move!
 - Set expectations early in university career
- Language is a benefit, but not a requirement
- Previous agricultural experience preferred (lived or worked on a farm or rural area)
- Experience working in diverse, multicultural, international teams on complex projects

Appendix B

Summary of International Agricultural Economics Experiences Unpublished data as of July 10, 2009

To better understand the international experiences of agricultural economists, faculty vitas and reports of publications and theses were collected from departmental websites in the fall of 2007. The information from the vitas was categorized by count for five different categories of international experiences. These were Peace Corps experience, US Agency for International Development experience, supervision of masters or doctoral research and research publications, presentations done in countries outside the United States, and an other category which included whether the faculty member did one of their degrees outside the US, spoke a second language, or indicated that they were born outside the US. Departments with three or less faculty vitas are not shown in the table for confidentiality purposes.

A Gini coefficient was calculated for each department as shown in table 1 for the five different categories of experiences. The Gini coefficient measures statistical dispersion and is commonly used to measure inequalities between relationships such as rich and poor countries (as based on wealth). A lower number (closer to zero) means equality while a higher number (closer to 100) means a great amount of inequality.

The coefficients were multiplied by 100 so the data in that table rank from zero (perfect equality) to 100 (perfect inequality). In this data, a larger number implies greater inequality of international experiences. Not surprisingly, given the fact that many departments have faculty with a wide variety of international experiences, the values are relatively low. Departments shaded in grey had larger Gini coefficients relative to the others. In general, there does not appear to be any relationship between size of faculty and international experiences. There does appear to be a relationship between size of graduate programs and the Gini coefficients. The data from Boland's Presidential address to the WAEA which included graduate program sizes in March 2009 indicate that the larger graduate program as measured by numbers of students is similar to the departments with larger Gini coefficients on international experiences.

Limitations of this data include that it is self-reported from faculty vitas and departmental publication lists. Rows with shading indicate departments that had significantly greater coefficients than the others based on a rank test. General conclusions are that 1) larger departments as measured by faculty had higher coefficients, 2) departments that had coefficients higher in one category had higher coefficients in other categories, and 3) there is a great deal of dispersion between departments in the south, west, and northeast relative to other regions.

Table 1. Gini Coefficients for Five Categories of International Experiences for Departments of Agricultural Economics

Department	Faculty	Papers	Presentations	Peace Corps	USAID	Other
Arizona State	23	0.97	0.85	0.85	0.85	1.41
Arizona, Univ of	15	0.97	0.96	0.96	3.10	1.83
Arkansas State	5	0.18	0.18	0.18	0.18	0.24
Auburn	22	2.08	1.75	4.13	5.11	1.13
California - Berkeley, Univ of	29	3.45	4.88	1.07	1.47	3.52
California - Davis, Univ of	34	2.74	2.57	1.25	1.25	3.60
California Poly. State Univ-Pomona	5	0.18	0.18	0.18	0.18	0.18
California Poly. State Univ-SLO	25	0.92	0.92	2.58	1.33	1.20
California State Univ - Fresno	17	0.63	0.63	0.63	0.63	0.63
Clemson	18	1.28	1.19	2.76	1.94	1.79
Colorado State University	14	0.76	0.71	0.52	0.92	0.52
Connecticut, Univ of	10	0.91	2.09	0.37	2.03	1.04
Cornell Univ	44	2.79	2.51	4.94	3.28	4.44
Delaware, Univ of	18	0.69	0.72	0.66	0.66	0.73
Florida, Univ of	33	1.90	1.64	6.56	2.80	5.05
Georgia, Univ of	5	0.18	0.18	0.18	0.18	0.18
Idaho, Univ of	16	0.63	0.80	0.59	0.59	0.72
Iowa State University	19	1.99	1.54	0.70	1.11	2.41
Kansas State Univ	26	1.47	1.73	2.99	2.14	3.16
Kentucky, Univ of	24	1.62	1.62	1.62	1.62	1.62
Louisiana State University	28	1.03	1.03	1.03	1.03	1.09
Maine, Univ of	22	1.14	1.70	0.96	0.96	1.04
Maryland, Univ of	22	1.60	1.46	0.81	1.64	1.74
Massachusetts, Univ of	14	0.61	1.76	0.52	0.52	0.87
Michigan State	57	2.54	2.21	10.45	5.81	3.65
Minnesota, Univ of	37	4.43	3.48	8.06	7.31	3.39
Mississippi State Univ	27	1.88	1.99	2.65	4.37	3.26

Missouri, Univ of	32	1.26	1.56	2.84	1.18	1.88
Montana State University	12	1.24	1.73	0.63	1.03	1.52
Nebraska, Univ of	13	0.67	0.96	3.85	2.15	0.93
Nevada-Reno, Univ of	9	0.38	0.74	0.33	0.33	0.52
New Mexico State Univ	17	0.80	0.91	2.29	1.44	1.01
North Carolina State Univ	38	1.94	2.61	1.40	1.81	1.65
North Dakota State Univ	15	0.87	0.87	0.81	1.64	1.34
Ohio State University	26	2.15	3.31	2.62	1.36	2.87
Oklahoma State University	31	2.50	1.50	1.14	1.97	1.31
Oregon State University	22	1.23	2.44	0.81	0.81	1.03
Pennsylvania State Univ	23	2.90	1.83	1.22	1.62	2.03
Purdue University	46	5.70	5.65	5.01	2.91	3.04
Rhode Island, Univ of	9	0.80	1.35	0.33	0.33	0.35
Rutgers University	10	0.69	1.19	0.37	0.37	0.59
Sam Houston State Univ	7	0.65	0.79	0.63	0.63	0.65
Santa Clara University	4	0.50	0.15	0.15	0.98	0.15
South Dakota State Univ	26	1.06	0.98	0.96	0.96	0.98
Southern Illinois University	9	0.33	0.33	0.33	0.33	0.35
Tarleton State University	4	0.15	0.15	0.15	0.15	0.15
Texas A&M Univ	62	3.26	4.36	3.95	2.29	2.40
Texas Tech Univ	15	0.94	0.63	0.55	0.96	0.58
Utah State Univ	14	1.76	2.05	0.81	2.85	1.42
Vermont, Univ of	10	1.69	0.76	0.74	0.74	1.10
Virginia Polytechnic Institute	23	2.54	2.44	0.85	5.54	1.21
Washington State Univ	23	2.28	2.07	1.22	4.15	1.53
West Virginia Univ	13	0.54	0.74	0.48	0.48	0.64
Wisconsin-Madison, Univ of	22	1.95	2.00	0.81	1.64	0.88
Wyoming, Univ of	15	0.75	0.77	0.55	0.55	0.55

Appendix C Overview of Task Force Participants

Tres Bailey represents Wal-Mart Stores, Inc. on legislative and regulatory issues regarding food, agriculture, international trade and investment. In this role, he has worked on projects regarding food and product safety, nutrition, international development, trade facilitation, the WTO, bilateral trade agreements, preference programs and foreign investment. In 2008, he was reappointed by the Secretary of Agriculture and the U.S. Trade Representative to serve on the Agricultural Technical Advisory Committee for Trade in Animal and Animal Products. Prior to joining Wal-Mart in February of 2005, Tres worked for U.S. Congressman Charlie Stenholm (D-Texas) and was an intern for the House Agriculture Committee. He is a graduate of Texas A&M University with a degree in Agricultural Economics with a focus on food and fiber marketing.

Fabio Chaddad is an assistant professor of agricultural economics at the Division of Applied Social Sciences, University of Missouri. He currently teaches agribusiness management, corporate strategy and organizational economics at the undergraduate and graduate level. Fabio's research activities focus on the economics and management of user-owned and controlled organizations and inter-firm collaborative arrangements in agrifood systems. He has a Ph.D. in Agricultural Economics from the University of Missouri and a Master's degree in Agribusiness Management from the University of Sao Paulo, Brazil.

Dave Everitt is with Deere and Company's Agriculture and Turf Division

Joan Fulton is a professor of agricultural economics at Purdue University. Prior to joining the Purdue faculty in 1997 she held faculty positions at Colorado State University and the University of Alberta. Her Ph.D. is from the University of Minnesota. She has a three-way academic appointment at Purdue. Her teaching involves undergraduate classes in marketing management and advanced quantitative analysis to the MS/MBA students. Her Extension work focuses on developing and delivering programs for business decision makers including small business owners and cooperative managers. She is Director of Purdue's Agricultural Innovation and Commercialization Center (AICC). Her research deals with agribusiness marketing issues as well as questions of market development and expansion for entrepreneurs in Africa.

John L. "Larry" Clarke was named Executive Vice President of Bunge North America in October 2006 and is responsible for grain, oilseed processing, biofuels and transportation. Mr. Clarke joined Bunge in 1983 as a merchant at the company's facility in Marks, Miss. He has held various trading and management positions, including overseeing all export and domestic sales of soybean meal, hulls and oil for Bunge North America. He served as General Manager of Bunge's operations in Canada and was most recently Senior Vice President and General Manager of Bunge Oilseed Processing. Mr. Clarke received bachelor degrees in Agricultural Economics and Business Statistics and Data Processing from Mississippi State University in 1983. He graduated from Harvard Business School's Advanced Management Program in 2007.

Ernesto Gallo is a professor of agribusiness at Zamorano University in Honduras. He has more than 30 years of experience as professor in undergraduate, MBA and executive business education activities using the case method. His specialty areas are the microeconomic

foundations and the teaching and practice in the fields of finance, strategy and sector - cluster analysis. His agricultural exports incubation program at Zamorano for undergraduate students was nominated for the Babson Appel Prize for innovation in entrepreneurship education at Babson College in Boston. In addition, Ernesto has developed and tailored Agro Export Management programs for Honduras companies exporting to the United States. He was a doctoral student at Purdue University where he has a master's degree in agricultural economics with specialties in finance and marketing. He completed his PhD studies with specialties in agribusiness and finance. He also has an MBA from IPADE (Instituto Panamericano de Alta Dirección de Empresa) in Mexico and a BA degree from the University of Piura in Peru. He is fluent in English and Spanish. His hobbies include playing soccer and basketball and playing the guitar. Ernesto is married, with two daughters and a granddaughter.

An Agricultural Economist, Brent Gloy received his M.S. and Ph.D. from Purdue University. In addition to his activities at Cornell, Brent remains involved in the family farm business located in Southwestern Nebraska. Brent Gloy is an associate professor in the Department of Applied Economics and Management at Cornell University. He teaches and conducts research and extension programs in the areas of agricultural finance and agribusiness management. Dr. Gloy teaches an undergraduate course in Agribusiness Strategy and Agricultural Finance and a graduate course in Agricultural Finance. In addition to his traditional classroom teaching, Dr. Gloy has participated and led classes on a number of international and domestic farm and agribusiness field studies. These have included trips to Hungary, Slovakia, Poland, Holland, and Australia. Domestic farm management field study destinations have included California, Texas, Florida, and Georgia.

Dr. Goldsmith is currently an Associate Professor of Agribusiness Management in the Department of Agricultural and Consumer Economics, University of Illinois. In addition to his PhD, Dr. Goldsmith has received an MBA in Finance, and undergraduate degrees in Dairy Science and Political Science. In November 2003 he was appointed the National Soybean Research Laboratory Fellow in Agricultural Strategy. In 2005 Dr. Goldsmith was awarded a Fulbright Research Scholarship to study safety and quality in global agri-food supply chains while at the Agrocampus in Rennes, France. In 2006 Dr. Goldsmith was named the Executive Director of the National Soybean Research Laboratory in Urbana, Illinois. In 2007 he was named the Soybean Industry Endowed Associate Professor in Agriculture Strategy. Dr. Goldsmith was recently appointed as an associate faculty member in the Business, Economics, and Law Research Group of the newly formed Institute for Genomic Biology at the University of Illinois. Dr. Goldsmith has been a visiting lecturer in Europe, Asia, Australia, and Latin America, and published numerous book chapters and articles in scientific journals and the popular press.

Prior to his arrival at Michigan State, Hamish Gow spent two decades actively engaged in the establishment and transformation of international food value chains, both on the commercial business and academic research, teaching and outreach sides, in Central and Eastern Europe, Southern Asia, Latin America and Northern Africa. During the 1990's, he managed and conducted various value chain development, research and education projects in Europe supporting the transformations of the Central European and FSU agri-food system. More recently as an Assistant Professor in International Agribusiness and Marketing Strategy at the University of Illinois at Urbana-Champaign, he founded the International Business Immersion Program (www.ibip.uiuc.edu) and established international research, teaching and outreach

programs on linking entrepreneurial farmers and SME's to local, regional and international markets

Dr. Kenrett Y. Jefferson-Moore is an assistant professor in the Department of Agribusiness, Applied Economics & Agriscience Education at North Carolina A&T State University in Greensboro, North Carolina, USA. Her teaching focus is agribusiness management and marketing. Jefferson-Moore received a doctorate from Auburn University in applied economics. She has a MS in agribusiness management from Alabama A&M University, and a BS in agricultural economics from Southern University and A&M College. Her research interests include international markets for small-farm commodities, the economics of value-added crops and the economics of invasive species.

Carol Kitchen holds an MBA from the University of Minnesota-Carlson School of Business. She received her BS in Accountancy from the University of Illinois and became a Certified Public Accountant in Illinois in 1991. After spending 6 years with another regional cooperative, Carol joined Land O'Lakes in December of 1998 as Controller in Ontario, Canada and then relocated to Seattle, Washington to be the Controller for Western Feed. Since relocating to the Twin Cities in 2002, Carol has held several positions, including Business Controller, and Director, Strategy and International Development. Prior to her current position Carol's had P & L responsibility for Land O'Lakes Purina Feed's premix business, LabDiet, Innovative Proteins, and International development which, in total accounted for nearly \$450mm in sales. In Jan 2009, Carol was named as the Vice President, International for Land O'Lakes Inc. As part of the corporate strategy and business development group, Carol is responsible for the strategic growth of all of Land O'Lakes business units outside the US.

Candace Roper was recently named Senior Vice President of the newly created COBANK Knowledge Exchange Division. As division head, Candace is responsible for directing the effort to identify and analyze emerging business opportunities and risks for CoBank and its 2,500 customer-owners. Prior to assuming her new responsibilities, Candace served for three years as COBANK's Director of Public Affairs in Washington, D.C. Before moving to Washington, Candace spent 15 years in COBANK's International Banking Division in a variety of positions of increasing responsibility. Candace served as International Division Manager from 2002 to 2006 and as Manager of the U.S. Exporter Group from 2000-2002. From 1997-2000, Candace served as Chief Representative in CoBank's Singapore-based Asia regional office, which she established. Prior to her assignment in Singapore, Candace served as portfolio manager for Middle East & Africa and as Senior International Economist in the Country Risk Department. Candace holds a Bachelor's degree in International Relations from Mount Holyoke College and a Master's degree in Political Science from the Massachusetts Institute of Technology.

Parr Rosson is Professor and Extension Economist at Texas A&M University. Received his B.S. in Agronomy, M.S. in Agricultural Economics, and Ph.D. in Agricultural Economics, all from Texas A&M University. Dr. Rosson is active in the American Agricultural Economics Association, the Southern Agricultural Economics Association, and the International Agricultural Economics Association.

Dr. Christiane Schroeter is an Assistant Professor in the Agribusiness Department at California Polytechnic State University, San Luis Obispo. She is chair of the International Agribusiness

Management concentration and teaches Global Agricultural Marketing, and Food Retailing Management. Dr. Schroeter completed a Bachelor's degree in Foods and Nutrition and a Master's degree in Food Economics at the University of Giessen, Germany. During her graduate studies in Germany, she was selected for a Fulbright Scholarship to study at Kansas State University, from where she graduated with a Master of Science in Agricultural Economics. In 2005, she graduated with her Ph.D. in Agricultural Economics from Purdue University, specializing in Agribusiness and Industrial Organization & Markets. Complementing her research experiences in academia and government, Dr. Schroeter acquired seven years of business experience in positions with Kellogg's, Kraft Foods, and Novartis. In those positions, she was responsible for applying retail marketing and management techniques and communicating with sales personnel and consumers.

Professor Surendra Singh is a professor of Agribusiness at Tennessee State University where he teaches graduate and undergraduate courses in Agribusiness and Rural Development, Micro and Small Business Develop, Small and Part-time Farms. Professor Singh has experience (both in U.S. and abroad) in curriculum evaluation and development and in providing short-term training in business and entrepreneurship development. He has a PhD from Pennsylvania State University

Dr. James Sterns is an associate professor in the Food and Resource Economics Department, University of Florida, USA. He also serves as an Adjunct Professor in the Warrington College of Business Management's Center for Entrepreneurship and Innovation. From June 2009 to May 2010, Dr. Sterns is a visiting scholar at the Escuela Superior Politecnica del Litoral (ESPOL) in Guayaquil, Ecuador. Topical areas of course have focused primarily on agricultural and food marketing, marketing management, the strategic management of small to medium sized agribusiness firms, and strategic management for entrepreneurs. Dr. Sterns also has developed and taught agricultural and food marketing study abroad courses to France, and he is a visiting lecturer at the International University of Ecuador in Quito. Prior to his appointment to the University of Florida's faculty, Dr. Sterns was a researcher at l'Institut National de la Recherche Agronomique, Centre de Montpellier in Montpellier, France. Dr. Sterns was born and raised in rural Kansas, U.S.A., attended Kansas State University as an undergraduate, and served as an American Peace Corp Volunteer in the Republic of Cameroon.

Tom Traub has been an Officer and Vice President of Human Resources for CHS, Inc. since March, 2004. As the top human resources officer for CHS, Tom is responsible for all human resources functions including compensation and benefits, staffing, college relations, employee relations, talent management and leadership development. Tom serves on the boards of directors for the COOP 401K Plan and Agriculture Future of America (AFA).

Prior to joining CHS Tom was the V.P. of Human Resources for NCS Pearson (formerly National Computer Systems) in Bloomington, MN and V.P. of Human Resources and Administration for Grist Mill Company in Lakeville, MN. The early years of his career were spent in various human resources management roles with General Mills in Chicago, IL, Cedar Rapids, IA, Minneapolis, MN and Toledo, OH. Tom has a BA from Allegheny College, Meadville, PA, and an MA in Industrial Relations from the Carlson School of Management, University of Minnesota

Appendix D

Discussion Group Issue: Faculty Expertise

Background: Faculty expertise is a critical part for the teaching of international business policy concepts. The NFAMEC report indicated that most agribusiness faculty had backgrounds with some extended international experiences such as Peace Corps, etc. but, in general, these experiences as well as graduate school itself did not prepare faculty for this knowledge. Faculty expertise is a critical part for the teaching of international business policy concepts. The NFAMEC report suggested that faculty backgrounds, experiences and training did not prepare them adequately for this knowledge. Many departments do not have adequate number of FTEs with international backgrounds, experience and/or training. In addition, many if not the majority of undergraduate students do not have exposure to professors with international experience. At a third level though faculty experiences may exist, the curriculum remains devoid of internationalization. As a result, undergraduate and graduate students are poorly prepared to work in a global context, which further reinforces this “vicious cycle.”

Topics suggested by the interviews with leaders were (in order of importance)

- a. Many faculty are poorly prepared to teach these concepts (lack knowledge of real world)
- b. General perception that students are poorly prepared for global context and it is reflected in faculty training (doctoral programs do not include any of this material)
- c. Desire to see more outside the classroom experiences for students
- d. Unsure of faculty training and how doctoral programs function and role of continuous improvement for faculty

Discussion Questions:

- a. What can be done to better prepare faculty to engage in study tours, helping advise students about study abroad, or teach business policy concepts in a poor budgetary climate ?
- b. What is the appropriate role of engagement with industry in these topics? How / Should we use industry to help teach or help in creating experiences for these topics?
- c. What should universities / professional societies / academic programs do to help prepare faculty to develop faculty expertise in these topics?
- d. What innovative ways can we do to create meaningful interactions with industry?
Reflecting on this question, can we get beyond guest speakers in classes and traditional ways of engaging and involving industry? What other new avenues are possible?
- e. What does the information in the attachment as well as the trends discussed in Boland’s Presidential address mean for departments of agricultural economics?

Group Leader: Fabio Chaddad

Team Members: Joan Fulton, Ernesto Gallo, Peter Goldsmith

Recommendations: Our recommendations are targeted to two issues: 1) the lack of faculty with international experience and/or training, and 2) the programmatic issue that international concepts are not integrated into agribusiness management programs. All of our recommendations help address these two topical areas.

1. The USDA National Institute of Food and Agriculture is in a unique position to help send signals to departments of agricultural economics that faculty with international experience and training is needed. For example, the USDA Higher Education National Needs fellowship program funded 29 doctoral fellowships in agribusiness management and marketing specialty area over the 1990 to 2002 time period. Seventeen of those individuals are now faculty members in various universities and many have developed national reputations in this area. This national need area grew out of the National Agribusiness Education Commission report funded by the USDA in the 1980s. The 2004 NFAMEC report has indicated that agribusiness management and marketing with an international or global policy and trade perspective is a national need. We urge the USDA Higher Education National Needs fellowship program to focus on this topical area and issue a call for proposal for 24 doctoral fellowships over the next eight years (four national grant competitions with six fellowships per competition). The national need area should be called “global trade, marketing, and policy dimensions of agribusiness management” and should include a recommendation that successful applications should include participation in a graduate student teaching certificate program as part of their training to help ensure that the doctoral students are able to learn more about teaching in their doctoral program.
2. Doctoral programs in agricultural economics should integrate international business policy concepts and offer opportunities for graduate students to have international experiences. Specific actions could include providing support through USDA Higher Education Challenge Grants to help departments of agricultural economics strategically align their graduate programs with international universities, including the development of joint degrees. If the statutory language allowed, the doctoral fellowships recommended above could include a requirement for one semester of courses or research taken in a university outside the United States.
3. Land grant university colleges of agriculture should offer immersion programs to young faculty to engage in teaching, research and/or outreach activities globally. For example, in the 1970s, the USDA encouraged and helped provide incentives through grants for agribusiness faculty in the early stages of their careers to take sabbaticals at Harvard University and work with Dr. Ray Goldberg who was widely recognized as the expert in the field of agribusiness. At least, 23 different faculty from 17 different universities did 6-12 month sabbaticals at Harvard. As part of this grant, Dr. Boland has tracked down those individuals, many of whom are near retirement or have retired and every one of them has indicated how positive that experience was for them in the early stages of their careers. It is more difficult to do such activities today. However, the USDA could fund a competitive grants program for early career faculty to engage in a four to eight week international experience with the objective of integration of marketing, policy, and trade concepts into undergraduate courses.

Appendix E

Discussion Group Issue: International Agribusiness Policy Concepts

Background: The 2004 National Food and Agribusiness Management Education Report (NFAMEC) reported that business policy aspects affecting food and agribusiness firms operating in a global environment were missing from virtually all undergraduate programs in agribusiness. Courses existed in three areas that are tangential to this discussion: 1) US farm policies which was basically a historical survey of US farm programs ending in 1996, 2) trade theory which was comprised of graphical analysis of trade concepts, and 3) international farming systems which included a historical view of international development programs. The NFAMEC report indicated that it was highly likely that students were not exposed to the dramatic changes in farm policy since 1996, were unaware of the role of the World Trade Organization and US free trade policies, and lacked understanding of the role of economic competitiveness concepts.

Policy topics suggested by the interviews with leaders were (in order of importance)

- a. Knowledge of business competitiveness concepts (see article by Porter on Clusters)
- b. Understand that US agricultural policy is driven by the market and the government no longer sets the price of a commodity as it did prior to 1996
- c. Understand of the role of the World Trade Organization and exposure to legal disputes (beef hormone issue, cotton subsidies, etc.) (see information on WTO)
- d. Knowledge of Free Trade Agreements (what do they look like, what is in them, etc.) and why the US Congress has had a long-standing policy of providing the executive branch the power to negotiate treaties (see fact sheet on CAFTA)
- e. Awareness of trade issues in highly differentiation products and why these industries are being created in the US (artesian cheeses and breads, specialty meats, etc.) and laws governing geographic indications, Products Denominated of Origin, farmer-owned Brands, etc. (see Hayes et al. article)
- f. Rapid increase in global trade and emphasis on exchange rate and competitiveness
- g. Role of Brazil and Southern Cone countries of South America and their interface with North American agriculture

Discussion Questions:

- a. What are the specific international agribusiness concepts that undergraduate students should receive in an agribusiness degree or major?
- b. How should these concepts be taught? Through a new course or by adjusting existing courses within a department? Can these concepts be integrated as opposed to being taught in isolation?
- c. What would a model course syllabus or section look like for such materials? What kinds of assignments, learning materials, assessment, etc. are needed?
- d. Should there be an experiential experience required (study tour, etc.) as a component of these concepts in a curriculum?
- e. At what point should these concepts be taught in the curriculum? What should the prerequisites be? Can they help meet the diversity / multicultural learning outcome desired by most universities?

Group Leader: Parr Rosson

Team Members: Tres Bailey, Christiane Schroeter, James Sterns,

Recommendations: Our recommendations reflect the idea that competitiveness is determined by 1) domestic governmental policies, 2) the influence of policies adopted by other countries, and 3) their respective influences on the domestic firms ability to compete globally. Thus, there is an inherent need to integrate many international concepts into most, if not all, undergraduate courses to some degree. The recommendations for topical areas reflect this understanding.

1. The subject areas that should be included in factors influencing US competition in international environment include the following:
 - a. Fundamentals of Economics and International Policy Environment
 - b. Porter's Five Forces and Diamond concepts
 - c. Natural resource availability and management is more important due to growing global population and need for sustainability (social responsibility).
 - d. An understanding that free trade is, in reality, limited flows of labor and capital and trade is limited to goods and services.
 - e. The role of US agencies such as FAS and APHIS are needed to resolve business facilitation issues once trade flows increase.
 - f. Recognition that domestic cost and profit assumptions do not hold internationally.
 - g. Realization that global standards for marketing, accounting, and law are a crucial component of trade.
 - h. Unique institutional and cultural factors exist in many countries such that business-to-business marketing channels often do not permit an international firm to go directly to consumers without using a domestic partner.
2. US agricultural policy courses should be adapted to move away from focus on the history of US farm programs and include a significant amount of content on current US / international agricultural policies. The course content should be an integrated history, political economy, and international trade course including a discussion of the difference between policy and programs because policies may affect prices, procurement decisions, marketing, etc. In addition, this course should use case concepts to help solidify how decisions were made (i.e., the 1996 Farm Bill was going on concurrently with similar legislation in the EU and South Africa. Students may not realize that other countries were pursuing similar goals).
3. International trade or marketing courses should move away from broad surveys of organizations, many of which no longer may exist, and ensure that students understand how the World Trade Organization operates and its importance to US agricultural trade, the role of other organizations such as OIE, Codex, IMF, World Bank, FAO, IPPC, OECD, GIARs, G-8 and other major groups of countries, and US Department of State programs such as the Peace Corps, USAID, food aid programs, and other institutions. A good case could be developed around why US beef imports are so controversial and differ from country-to-country.
4. Ensure that students understand that while much of agriculture products are considered commodities, a large amount of value is created through specialty crops and students should

understand how the role of California insofar that the overwhelming majority of undergraduate textbooks use “program” crops as examples. The role of consumer preferences should be discussed because this is an important part of the labeling and traceability debate and requires different supply chains.

5. The role of exchange rates is crucial since most of our agricultural inputs are imported and our agricultural products are exported. This should be coupled with a discussion over the role of technology (elimination of bST which increased milk yields but was not desired by Wal-Mart and others). Finally, it is important that students understand the role that China, India, and other BRIC nations will play in the future.
6. All of this will require major modifications to existing curricula in departments of agricultural economics. Table 1 provides an example of how this might occur given the fact that it may be impossible to add new courses without adding faculty.

Table1. Desired Learning Outcomes from Integrating International Agribusiness Policy Concepts

General Concepts	Upper (U) or Lower Level (L)	Specific concepts and Potential entry points into existing curricula	Potential topics that could be de-emphasized as a trade-off
“Competitiveness” in international context	L	First introduce factors of production, if $y=f(K, L)$...then discuss how free trade can/might include y, K and L [<i>Principles of Ag Econ course</i>]	
	U	Introducing Porter’s five forces, first look at a domestic market, then expand to international market...[<i>Agbus management or strategy class</i>]	
	U	Range of theories -- Comparative Advantage, Krugman’s trade theory, and Porter’s Diamond... [<i>Intermediate Econ course, or if it already exists, include in a international trade theory course</i>]	
	U	Ways governments can enhance or limit a firm’s competitiveness in international markets [<i>Ag Policy course, Ag marketing course, etc...multiple possibilities</i>]	
	U	Currency changes, affecting exports, imports and foreign investment decisions <i>Intermediate Econ course, or if it already exists, include in a international trade theory course, International Finance</i>]	
Importance of managing resources due to rising global population and demand	L, U	ISO 14000 as a specific example of linking resource management to marketing, Discussion of cap-and-trade policy Social responsibility as a company policy [<i>Principles of marketing, Ag Policy, Human Resource Management, Environmental and Resource Management</i>]	
US and International Ag Policy	L	International Institutions and Agencies (e.g. WTO, ILO, OIE, Codex, IMF, World Bank, FAO, IPPC, others (OECD, CGIARs), G-8 and other major groups of countries-role in incrementally opening markets US Role: FAS, Peace Corps, USAID [<i>Introduce concepts in Principles of ag/food marketing,</i>	Need to move beyond exclusive focus on historic farm policies (price controls) now focusing/expanding on importance of international ag policy
	U	Examine or discuss programming impacts of ag policy, e.g. FAS, trade missions, export credit programs, [<i>Explore or develop in depth the rational in Ag Policy course</i>]	

	U	Harmonization of various international policies, CODEX, ISO Norms <i>[Principles of marketing, Ag Policy, Trade Theory]</i>	
	L,U	Trade agreements: CAFTA, NAFTA, bi/multilateral, tax treaties, etc. <i>[[Principles of ag marketing, Ag Policy, Trade Theory, Ag Law]</i>	
	L,U	Define concepts, motivations and constraints for differentiated ag products (artesian cheeses, breads, specialty meats, etc.) and laws governing geographic indications, Products Denominated of Origin, Farmer-Owned Brands, COOL, Fair Trade, GMOs, etc. Coordinated supply chains (IP, labeling, commingling), consumer confidence, definition of attributes, enforcement of definitions, credibility of claims, e.g., organics <i>[Principles of Agribusiness Marketing, Supply Chain Management]</i>	Transportation, Storage, Arbitrage issues, Commodity Marketing
Geography and demographics	L	Basic knowledge about countries and their agricultural and food sectors (e.g., find a country on a map; know who's in NAFTA, CAFTA, EU, etc.; major producers, trade flows to/from US, etc.) <i>[Principles of Ag Econ course]</i>	
Cultural Awareness	U	Hofstede's Index (e.g., attitudes about uncertainty, personal interactions, authority, etc.). Corruption Perceptions Index by Transparency International (ethics in international context) Cross-cultural negotiations Do's and Taboos of International Business (by Roger Axtell) Structured interactions with international students on-campus (e.g., interviews, seminars, mentoring, international food fairs, etc.) <i>[Principles of Ag Marketing, or International Marketing or HR or Sales courses]</i>	
Experiential Learning	L,U	Study Abroad short courses (one to four weeks) Longer-term study abroad experiences (summer, semester or year-long) International internships (FAS, USAID, CGIARs, private sector, etc.) International undergraduate research projects (e.g., undergraduate theses) Grant-funded/Project-affiliated research activities	

Appendix F

Discussion Group Issue: Role of International Experiences

Background: International experiences are increasingly becoming more common for many students. Many universities offer a variety of programs including: 1) a semester study abroad in a partner university with courses that have transfer equivalency, 2) a semester study abroad in a university with courses that do not have transfer equivalency but must be petitioned for transfer, 3) short-term study tours that include a semester-long classroom component, 4) short-term study tours that do not include any classroom component, and 5) internship or work co-op agreements. The perception is that these opportunities are multiplying quickly in University Offices of Study Abroad. Many universities do not have hard and fast rules on how to provide or evaluate academic credit for these experiences. Their place in the curriculum is often haphazard.

Topics suggested by the interviews with leaders were (in order of importance)

- a. Type of international study experience matters (South America is different than Europe)
- b. Second language skills are imperative (Spanish and Chinese were most frequently listed)
- c. Immersion in culture is a must (one semester is different than one week in Cancun)
- d. The people who need the experience the most (future farmers and producers or those working in first handler type jobs in the marketing channel) are not participating in these experiences. What can be done about this?
- e. Timing of the experience matters (after sophomore or junior year)

Discussion Questions:

- a. What should an ideal undergraduate student international experience look like for an agribusiness student?
- b. How important is knowledge of a second language? Why? Are there good reasons why this should be taken while students are in school? Are mandatory second language skills a must for undergraduate students?
- c. Universities and departments are struggling trying to determine how academic credit should be awarded. What criteria should be used for academic credit? Should transfer equivalency credit be determined at the university, college, or departmental level?
- d. In general, formal semester-long programs are coordinated centrally by university offices. Study tours involve more “hands-on” planning by the tour leader since it involves travel planning for which universities are not set up to do. What is the appropriate role of the central university vs. faculty-member in the development of these study tours?
- e. International experiences are expensive and financial aid often covers only a fraction of the overall cost. What can universities, colleges, and departments do to help students with these cost bearing in mind the budget situations many universities have?

Group Leader: Hamish Gow

Team Members: Larry Clarke, Brent Gloy, Michael Kennedy, Carol Kitchen, Candace Roper, Tom Traub.

Recommendations: The goal is talent development and identification with the understanding that any international experience is a positive life experience.

1. Universities should provide a graduated/stepped international experience to help provide exposure and then immersion. Initial exposure to international experiences early in a student's university career is critical which might include a study trip; use of case studies, guest lectures and other learning instruments to lower cost for point of entry and provide scalability; use open technology facilitated system to allow for sharing of curriculum, teaching materials, guest lectures and cases across programs. Immersion can happen with a more intensive, demanding and integrated immersion experiences for selected students which require students to begin exploring frontier issues for firms, application to problem based learning, and a possible capstone project (Proprietary projects)
2. There are a range of different options available that will allow students to gain international experience. Structural options for achieving this include guest lecture in classroom (technology facilitated), short courses or study tours (2 to 3 weeks), summer abroad, and semester abroad. Language is not a requirement, but preferred, however cultural immersion with local students is critical.
3. Experiences must be integrated into the overall curriculum and the student professional learning process, not a random personal experience that students struggle to relate to their professional development. This requires faculty facilitation by both the home and host institutions, guest lectures must be integrated into the course, short overseas study tours must be integrated into the general curriculum with pre and post trip meetings, projects and experiences. Summer, semester and year-long study abroad experiences need to be offered as an integrated package by the host institution which includes industry visits, guest lectures and faculty facilitation of the learning experience. The home university needs to offer pre and post study abroad facilitation so that students can relate and integrate experiences back into their home programs. Home country should offer a limited selection of high quality integrated programs with host institutions. Topics should include the policy and regulatory environment and how business engages and interacts in this space domestically and internationally on critical issues.

Faculty Facilitation is critical to ensuring students make the linkages and connections between host and home country visits and experiences and their importance related to the course curriculum and student's professional development. Faculty can be from either host or home institution, but must be able to communicate with students on their terms to maximize learning and assist industry leaders and host country instructor to identify learning opportunities and link to US context. A requirement of interaction with local students is needed and academic rigor is essential with intermediate and final deliverables as the process is important. International alliances between partner universities is critical to long term sustainability. This can reduce the administrative and set up costs, facilitate industry linkages and integration, and have access to local students, faculty and executives.

**Appendix G
Schedule of Activities**

**International Agribusiness Task Force:
Background Information for the USDA Report**
July 29-30th • Hyatt Regency Hotel, Milwaukee, Wisconsin

SCHEDULE (all activities are in the Milwaukee Rooms A and B)

Tuesday July 28	Wednesday July 29	Thursday July 30
<p>Industry – travel to Milwaukee Faculty – attend American Agricultural Economics Association annual meeting</p>	<p align="center">8:30 a.m. Continental Breakfast Available</p> <p align="center">9:00 a.m. Welcome Welcome, Introductions, Project Overview Charge to Task Force Roles, Assignment, Working Teams</p> <p align="center">10:00 a.m. Break into Groups Begin discussion</p> <p align="center">Noon Lunch</p> <p align="center">1:00 p.m. Group Working Sessions</p> <p align="center">5:00 p.m. Reception</p> <p align="center">6:00 p.m. Working (if needed) Dinner</p>	<p align="center">7:30 a.m. Continental Breakfast Available</p> <p align="center">8:00 a.m. Debrief Group Reports & Feedback</p> <p align="center">Group Reports</p> <p align="center">8:30 – 9:15 – Team One: Agribusiness Policy Concepts 9:15 – 10:00 – Team Two: Role of International Experiences 10:00 – 10:45 Team Three: Faculty Expertise</p> <p align="center">10:45 a.m. Wrap-up</p> <p align="center">11:00 a.m. Have a safe ride home! Deli lunch available to eat or take with you</p>

