

Dividend

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Dividend

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When Carolina Garcia, pictured on our cover, decided to add an MBA to her engineering credentials, she chose Michigan and says, "I have felt I made the right decision every day of the week." More about Carolina on page 14. Photo by Virginia Geren.

Dean: *Gilbert R. Whitaker, Jr.*

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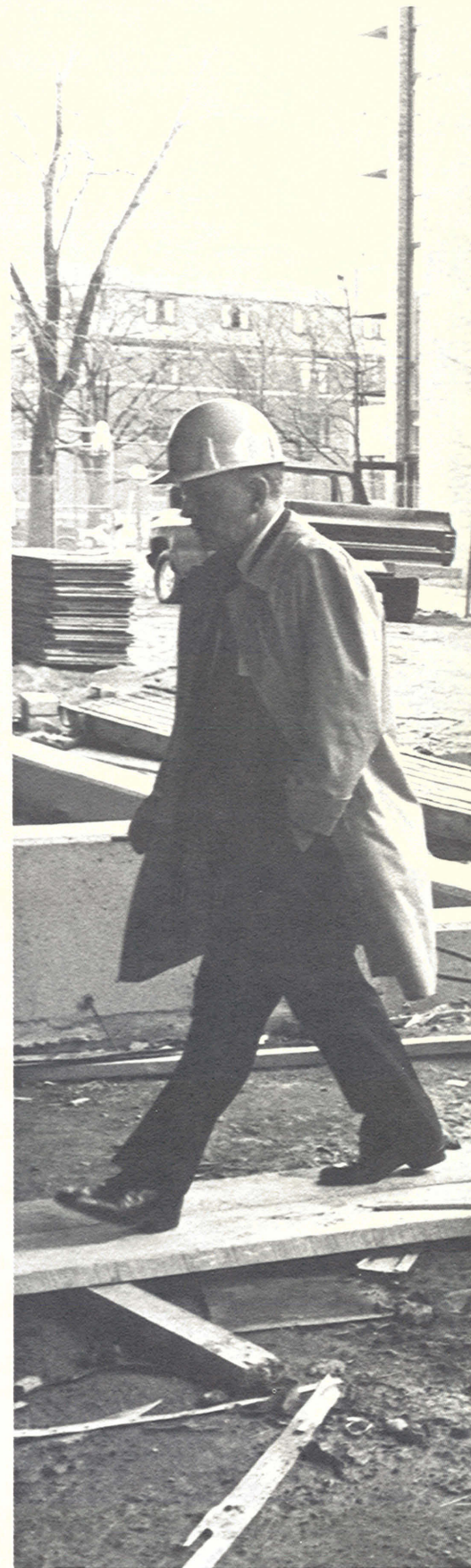
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Where are they all going?



Dean Russell

To look at our beautiful new buildings-in-progress. For more information, see pages 32-33.

MBA Perspectives

Ken Sikkema

*B.A., History
Harvard University
Work Experience: Politics*

“After 4½ years of politics on the inside, I was becoming somewhat disenchanted. It partly happens because of the pace. You literally do not have the time to manage the ideas yourself — you are forced to rely on the lobbyist structure.”

“It’s not as if getting the MBA was a late idea in my head,” says Ken Sikkema. “In fact, I took the G-Mat my first year out of college. It’s just that I finally got to the point where the timing was right.”

After receiving his BA in history cum laude from Harvard in 1974, Ken entered what he calls “the best graduate school in the world” — that is, the world of politics. As a legislative assistant for State Senator John Otterbacher, he managed two statewide political campaigns, coordinated the passage into law of twelve pieces of legislation, and acted as a “gofer” — legislative aide, research assistant, and constituency relations aide. Why does he describe this as the best graduate school in the world? Ken pauses thoughtfully, “I guess it’s because in politics you’re dealing with ideas in the same way you do here, but in a very real life context. What happens to those ideas in terms of legislation is very important to different groups of people. Your limits are constantly being tested — you are always under some kind of pressure and dealing with people in an environment where big issues are at stake. And that produces a powerful combination of intellectual and personal growth.”

After 4½ years in politics, Ken became executive director of the West Michigan Environmental Action Council, Inc., where he was

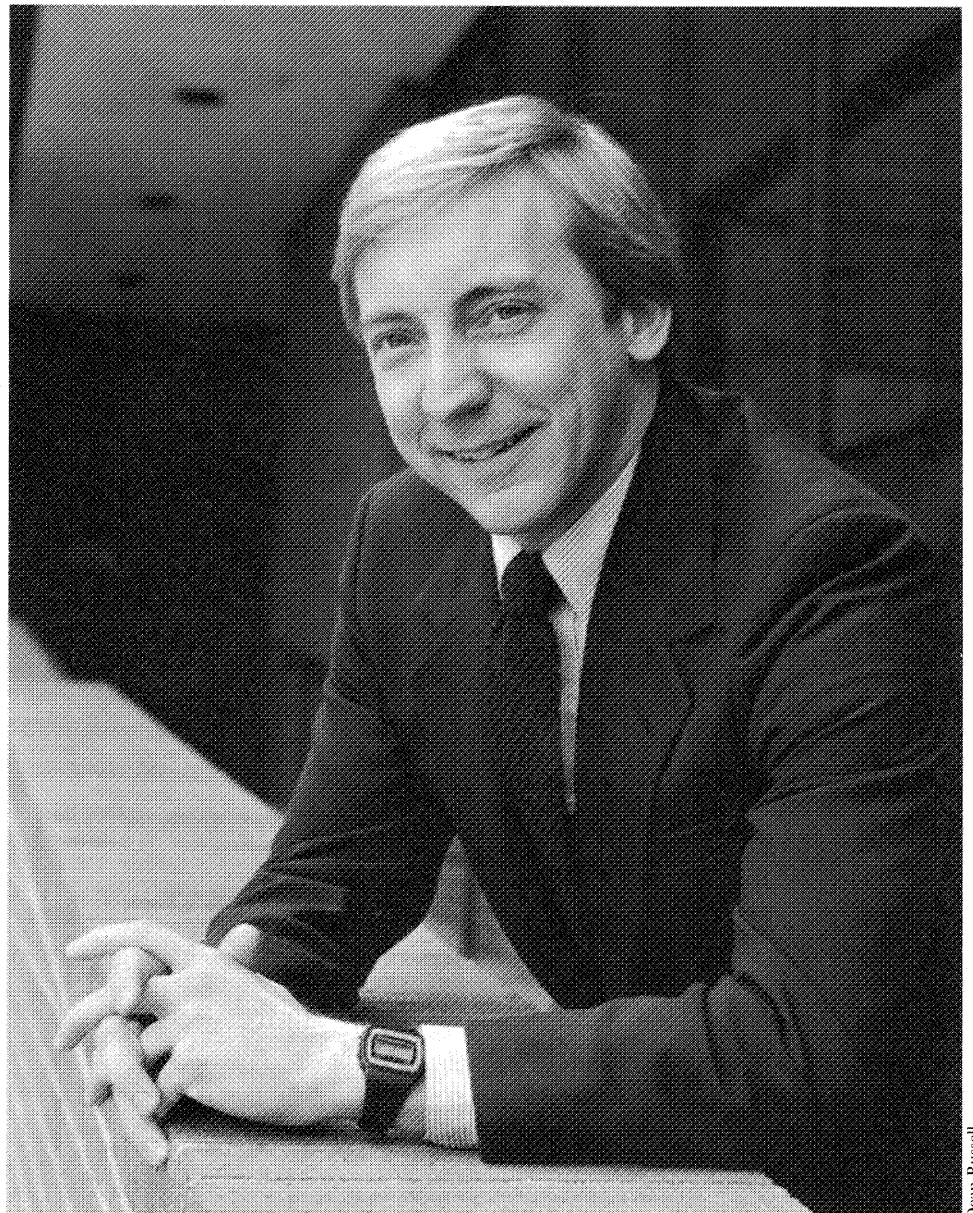
responsible for all aspects of the organization, including fundraising, lobbying, budget development, and media relations. In that post, he led negotiations with the Shell Oil Company which resolved the twelve year dispute over oil development in the Pigeon River County State Forest (located in the lower peninsula northeast of Gaylord). He took the job because, he says, “after 4½ years of politics on the inside I was becoming somewhat disenchanted. It partly happens because of the pace. You literally don’t have the time to manage the ideas yourself — you are forced to rely on the lobbyist structure, and a subtle erosion takes place.

“I looked at how I was dealing with people, and realized that I was not really listening any more. Someone would be talking about what was right and wrong with a particular issue, and I would be thinking about the politics of it — the compromises that needed to be made, how we could get the majority of three votes required or whatever — rather than the substance. I didn’t like what the process was doing to me, but I still wanted to stay involved in politics as a medium for change. This had a lot to do with my decision to work on the system from the outside, and resulted in my accepting the job with the Environmental Action Council. That job renewed my faith that the system can be used for good purposes.

Ten interviews that illustrate the diversity and solid achievements of an MBA student body that keeps a first-rate faculty on its toes.

“The political process doesn’t serve its purpose if only a few use it. You need citizen activism combined with political and legislative savvy if you are going to get results. I strongly believe that there is a need to balance environmental protection with economic vitality. I think we fail if we don’t accomplish both. In the resolution of the Pigeon River issue I tried to apply that principle of balance. I have noticed that when people have deep personal or financial issues at stake, they become very polarized, and I don’t think we can afford that.”

During his eight years in politics, Ken says he developed some management and leadership skills, but they were what he calls “raw skills.” He felt the MBA degree would give him some sophisticated intellectual tools that would put those skills into a framework. After graduation, Ken plans to work for Herman Miller in the product management department. Politics, he says, will always be an avocation for him, but right now, he wants to become a really good general manager. “A good general manager knows how to assemble resources — people, financial resources, technical resources — in such a way as to make something worthwhile happen. The ‘worthwhile’ is very important,” he says, “because to me success is having both a sense of personal fulfillment and a sense of having contributed something worthwhile to society.”



Dean Russell

Lula Powell

*B.A., Elementary Education
Eastern Michigan University
Work Experience: Captain,
U.S. Army*

“The average recruiter I was supervising had 15 years of experience, and I only had 4. Plus I was black and female. There were days I thought to myself, ‘I can’t believe I asked for this job.’”

Captain Lula Powell of the U.S. Army is a risk taker. Before coming here for her MBA she served as aide-de-camp to a general and as area commander for the Charleston recruiting area — both tough jobs with a lot of visibility, and a lot of potential for getting on the fast track, provided you succeed. But we are getting ahead of the story.

Lula’s decision to join the Army came after her discovery that teaching was not for her, which she says, “really put me at a loss. I had graduated from Eastern Michigan with a degree in elementary education and taught for a while. I had always thought that was what I wanted to do, and when I found out it was wrong for me, I didn’t have any idea what to substitute for it.”

It was in this frame of mind that she decided, just for fun, to go into an armed forces recruiting station, and see what they would say. “I talked to all of them — the navy, the marines, the air force and the army,” she recalls. “They all offered me a commission, but the army said I could join up for a two year tour of duty, whereas the others all wanted four. So I took the Army test just for the heck of it, and passed it. Then the recruiter said why not try the interview too, and



Virginia Geren

so I did, and all that was left was the physical which I also passed. Then it was decision time. I figured that since I wasn’t sure what I wanted to do, this would give me two years to try something out and to think about my future. So I joined, and I love it. It has been a great career, because from the beginning everything has gone my way.”

Lula’s first tour of duty was as a finance officer at Ft. Hood, Texas, and she says with a smile, “that’s where I got my first million dollars. The Federal Reserve truck would drive up every month with new money right from the printer. Believe me, there were plenty of guards and I walked around with a 45 on my hip. Among other duties we set up check cashing points for the soldiers to cash their paychecks. I had a staff of 15 people, and we were responsible for accounting for

the money and maintaining the books.”

After two years on that job, Lula was asked if she wanted to apply for the post of aide-de-camp to the general who was deputy commander for the Army Recruiter Command. Those jobs are hard to come by, particularly for women, but she decided to try for it anyway. “That general was a pioneer,” she says. “I learned a lot from him. He had eight children, six of whom were daughters, and told me once that he wouldn’t have been able to live with himself if he hadn’t chosen me as his aide because, he said, ‘you were the best qualified.’” As his aide, it was her job to coordinate all his travel activities, attend meetings, and act as his administrative assistant. “My job was also to take care of the luggage,” she says with a grin. “We did a lot of traveling, his suitcase was very heavy and he was

a fast walker. I managed with it O.K., but I did appreciate it one day when he called me in his office and presented me with a luggage carrier with wheels.”

After two years as aide to the general, she asked for the assignment of area commander of the Charleston, South Carolina recruiting area. She became the first female area commander that the Army had ever had, and they have 256 areas. “I have never felt as much pressure as I did on that particular job,” she says. “I didn’t feel I could let my guard down and relax even for a minute. The average recruiter I was supervising had 15 years of service and I only had four. Plus I was black and female. There were days I thought to myself, ‘I can’t believe I *asked* for this job.’ But when my two years were up, my area was one of the top ten in the Region. I could have taken a safer job, sure, but it wouldn’t have been as much of a stepping stone for my career. And when that job was over and the assignment officer called to ask me what I wanted to do next, I said, ‘I want to go to graduate school,’ and so here I am, Michigan is my home, and it’s good to be going to school here. I am learning a lot of new ideas — new ways to look at the organization — how it’s structured, how you handle the people.”

Her next assignment will be either a staff advisory position working as an organizational development person — or an instructor at Ft. Benjamin Harrison, Indiana, where the personnel training school is located. “I expect at some point,” she says, “to juggle a home and family with the military life. My ultimate goal? That’s hard to say. If I were out of the Army I would be torn between going into business or starting a nursery school, because I really love little children. But I’m going to stay in the Army. When you have a job and everything you ask for they seem to be listening to you and you get it, that’s a good job. I like being a leader, and taking responsibility. Who knows? Some day I’d like to be a general, but if not (with a smile), I will accept colonel.”

Daniel O’Leary

*B.A., History of Art
Princeton University
M.S., English
The University of Michigan
Ph.D., History of Art
The University of Michigan
Work Experience: Newspaper
Reporter, Assistant Curator*

“I think people who have joined a doctorate with an MBA have a better chance of finding new solutions for their institutions. There is so much competition now in the non-profit sector. Marketing has become key.”



Dean Russell

When Daniel O’Leary was doing his Ph.D. dissertation in the history of art, he chose to study the 15th century banker who managed the Medici Bank in Rome. “I started out being interested in the painting and architecture he commissioned, and ended up being fascinated with his career and the way he ran his business,” says Dan. “I examined his bank records for 15 years — I reviewed his loans and sympathized with his concerns about the security of the loans. He was full of anxieties about European macroeconomics that he expressed in letters to his nephew, and he combined his business sense with patronage of the arts.”

Five centuries later, the combination of support of the arts and business acumen is still an issue,

says Dan, and in fact he sought the MBA because he is particularly interested in the management of large, non-profit institutions, particularly museums.

"It's important for museum directors today to be conversant with the language and thought processes of the business world," he explains, "as well as to know the artistic and scholarly aspects of their work. I think people who have joined a doctorate with an MBA have a better chance of finding new solutions for their institutions. The success or failure of the museum often depends on how clearly the director perceives a problem and all of its ramifications, how well he understands the viewpoints of all the parties, and how well he is able to articulate these positions to the board. Nonprofit institutions are facing up to financial crises in the 1980s, when the publics they serve are changing and the goals they have are being challenged."

Eventually, Dan says, he would like to work in a turnaround situation for a museum. One of his heroes is Vartan Gregorian, whom he calls the Lee Iacocca of non-profit organizations. Gregorian took over the New York Public Library in July of 1981 and since that time has brought about a transformation that among large cultural institutions is recognized as unprecedented. "What he did was turn around a leviathan in a bathtub," says the Library trustee Richard Salomon (who is also chairman of the board of trustees at Brown University. "It's hard to believe that the influence of one man did so much in so short a time." Dan explains that Gregorian motivated patrons, dealt with the political bureaucracy in New York, hired the right people, brought all kinds of business expertise into the area, and turned around an organization that had been on its last legs.

"There is so much competition now in the non-profit sector," says Dan, warming to his subject. "Marketing has become key. The idea that you analyze the needs of

different segments of your public and then serve those needs is often the crucial element in determining whether a non-profit organization will make it. People who handle marketing for those institutions may be called by other titles, but they recognize that marketing is their role.

"I must say I have received an excellent education these past two years," says Dan. "In fact, I wanted to leave the best of my professors some kind of memento of admiration when I graduated, but when I went through the list of the 18 professors who taught me while I was here, there were so many of them who were my favorites. Most of them are real stars. Teachers here pride themselves on their classroom performance, and I'm proud of at how good they are."

What about success? Dan pauses thoughtfully. "I think a successful person is one who chooses a large enough challenge so that it's not clear he has the capability to solve it, and then pulls it off. Success is finding a problem that is bigger than you are and then growing up to it." Another aspect of success to Dan is being able to incorporate interests and career. "Ideally," he says, "I don't want my leisure time to be an alternative to my work, but an extension of it. For that, you need to have the value system of the scholarly tradition but the tools of the business world. I think the MBA is going to make it possible for me to tie it all together."

Karen Packard

*B.S., Nursing
Ohio State University
M.S., Nursing
Ohio State University
Work Experience: Psychiatric
Nursing*

"I don't look back and regret my nursing — in fact, I feel fortunate for the experiences it gave me, but I enjoy business school much better."

"I got out of business school exactly what I wanted," says Karen Packard, who decided to come here for her MBA after eight years in the field of psychiatric nursing. "I don't look back and regret my nursing — in fact, I feel fortunate for the experiences it gave me, but I enjoy business school much better."

Karen, whose work experience includes a nine month stint as acting director of psychiatric nursing at the University of Michigan Hospital where she had financial responsibility for a two million dollar budget and managerial responsibility for 150 nurses and five inpatient nursing units, received both bachelor's and master's degrees in nursing from Ohio State University. She first worked for a community mental health center providing crisis intervention for clients experiencing psychiatric emergencies. Later she taught psychiatric and community health nursing as an assistant professor at the University of Virginia.

"I really wanted nursing to be a career and a profession for me," she says, "but I found it very frustrating. There are a lot of creative things you can do with patient care, but I always felt there



was a lid on the opportunities available to implement new ideas and to advance professionally. I had done research and published my results and also contributed two chapters to a psychiatric nursing textbook. As much as I felt I was accomplishing, I wasn't satisfied with the financial or career opportunities available for nurses."

When Karen started studying toward the MBA, her intention was

to get out of health care altogether, but she says, "I've been able now to get some distance on those years in nursing, and I think it may eventually benefit me to capitalize on my experience in the health care industry. In the process of interviewing for jobs, I found that my knowledge of human behavior combined with my analytical and technical skills was appealing to many employers, especially when it

came to jobs in service areas such as banking, marketing and consulting.

"A lot of the problems with health care have to do with private versus public sector orientations," says Karen. "I've decided to go into the private sector for now, because now is the time to make the switch. If later, I want to go back into a public sector or medical products industry, I think I can do that fairly easily."

Karen has been self-supporting since she was 18, and in fact has been working as a clinical nurse specialist while an MBA student. "As hard as it was for me to work and be a student at the same time," she says, "it helped me maintain a healthy balance between school and life outside school. I was better able to keep things in perspective, and know that there are other important things in life besides cases and grades. I've learned how to make tough trade-offs, and that's going to continue. For instance, I would like to have a high level management position some day or own my own business, but I think other things are important, too, such as friends and family. I want to combine a personal life with my professional life. I know it's difficult, but I've managed difficult combinations before.

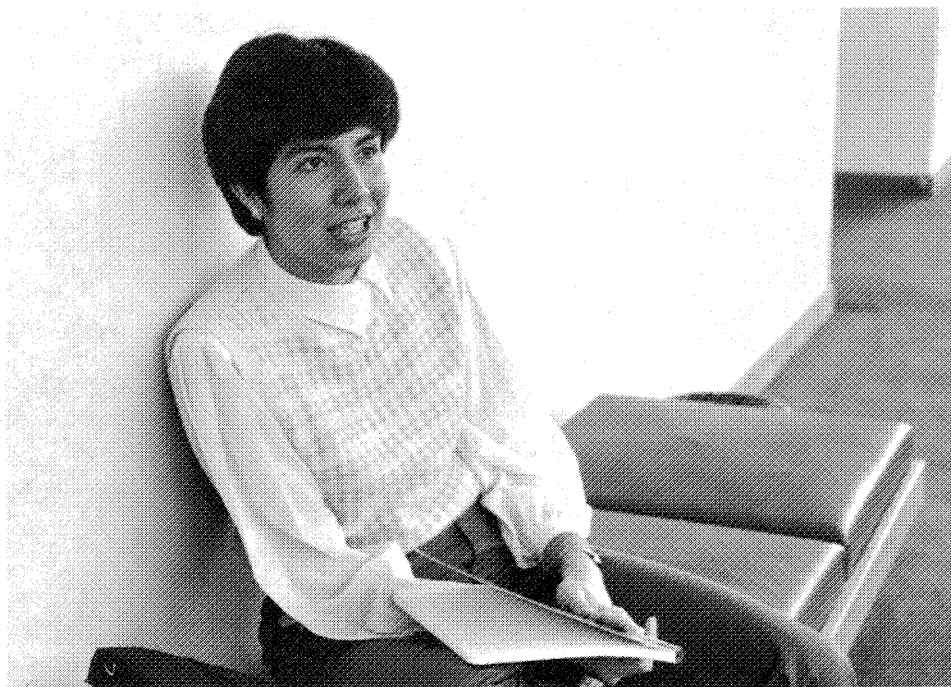
"I haven't found as much resistance to women in business as I expected," she continues. "If you view nursing in the larger picture of health care, the industry is dominated by male physicians and hospital administrators. This fact never interfered with my ability to accomplish something. I have found a fairly similar situation in business. Although I do feel there should be more mention of women in our business school education, I do not think the women students are treated differently or unfairly. A lot of how you're treated, of course, is dictated by how you behave and present yourself. And a lot of feeling good about what you do is being comfortable with who you are and respecting what you do."

Karen has accepted a position with The Carroll Group, an Ann Arbor based general management consulting firm.

Mary Ann Caballero

*B.A., Sociology
The University of Michigan
Work Experience: Financial
Consultant*

“I chose Michigan because I knew it was a quality school. I had been accepted to several other schools with full scholarship, but I decided to come here.”



Dean Russell

It was when Mary Ann Caballero served as president of the board of directors of University Cellar, Inc. that she knew business was definitely for her. “There were all sorts of things to deal with,” she says. “I learned how to hire management, negotiate labor contracts, and set up personnel policies. We had about 70 employees, including part time, and assets of \$5 million.” Mary Ann was appointed as a student representative and six months later was elected president of the 14 member board which included three faculty members, a university administrator, eight students, two union representatives and the store’s general manager and assistant manager. At the time, Mary Ann was a senior sociology student.

After graduation, she went to the School of Public Health’s Hospital Administration School for one year before switching to Business School. “I wanted more technical business skills,” she says, “and I realized I wanted to work in the for-profit sector of health care. I have learned a tremendous amount in this program. I chose Michigan because I knew it was a quality school. I had been accepted to several other schools with full scholarship, but I decided to come here. The first

year especially, I found the work very challenging, mainly because a lot of it was theory and I am an applications person. Second year was easier because so many of the courses are case courses where you use the concepts you’ve learned.”

“Success to me is being able to go to work every day and be happy with what you are doing and with what you have contributed. When I reach my goals, money and power will both come, but they will come as an adjunct, not as the overriding factor. My goal is to be a chief executive officer of a Fortune 500 company. I know that’s a big order, but things are changing for women now. There are more women in entry level positions and a lot of women in mid-level positions,” not many at the top.

I figure it takes 20 or 25 years to get to the top, and women haven’t been looked at favorably in the business world for that long, so I’m hopeful that I will reach my goal. I want a large company because of the challenge. I look for challenges. And no, I don’t expect to get married with the goals that I have. I really feel that to be what I want to be I’m going to have to sacrifice some things, and I plan to be a single person during that whole path.”

After her first year in the MBA program, Mary got a summer internship in finance with Eli Lilly. Her assignment was to develop a database for the use of the chief financial officer of the company. This meant taking all the balance sheets, the income statements, the key financial ratios, analysis of the competitors, and putting it into a system that the top financial officers were able to draw on. She had to learn the system, then develop the graphics (over 350 bars, graphs, pie diagrams, and bubble charts), then write the programs and procedures and work on the implementation. She wrote a manual on how to use and update the system, and trained eight financial analysts in how to use the system. After her summer work, she stayed on as a financial consultant with the company, which meant flying to Indianapolis during vacations and weekends to finish up the project.

After getting her MBA, Mary will be an international financial analyst at a subsidiary of Eli Lilly in Minneapolis, Minnesota. “The company has been good to me,” she says. “I have interviewed with about 25 companies and flown to see 12 or so, but Eli Lilly seemed the best. I think we have a good future together. It seems to be a good fit.”

Allen Burdette

*B.A., Economics
The University of Texas
M.A., International Relations
The University of
Southern California
Work Experience: Senior
Marketing Analyst
Special Assignment, AMC's
China Project*

“It’s tough going to school at night and working all day. I’ve trained myself to sleep 4 or 5 hours a night.”

Allen Burdette switched from the full time MBA program to the evening program after a summer internship at American Motors led to the offer of a full time job as senior marketing analyst in the AMC international marketing group. Four months after accepting that position and making the switch to the MBA evening program, Allen was offered the chance to work with the China project — a joint automotive venture between American Motors and the Chinese.

“That was a wonderful experience,” he says, “because it was so multifunctional. There were only three of us in the beginning — the director, an in-house consultant who was Chinese, and me. We all wore many different hats and operated very much like a small business. I was able to get an overview of different departments. One day I’d be doing finance work, the next day I’d be concerned with marketing, and the next day I might be reviewing documents with the legal department. I acted as liaison to product, manufacturing, marketing, legal, and public relations departments in support of start up operations for the project.”

Allen came to Michigan for his MBA after a degree in economics



Virginia Geren

from the University of Texas and four years in the Army, during which time he received special training in the Army Intelligence and Security Command, including 16 months of intensive Russian language study.

He then worked as an analyst for army intelligence stationed in Munich, Germany, and at the same time finished a master’s degree in international relations, going to school in the evening at a branch of the University of Southern California in Munich. “That experience got me in training for the evening MBA program,” he says, “and I have found the evening program here excellent. It contains the middle managers who have the jobs that day MBA students aspire to reach in ten years. They are much more aware of the complexities of real life situations, and since they already have a job, are not as concerned with job placement and not as overshadowed by concern about grades as are students in the day program. And evening program students are admitted under the same rigorous academic requirements as the day students. It’s tough going to school at night and working all day, though. I have two small children,

and study after they are in bed. I have tried to train myself to sleep only four or five hours a night, but every so often I have to have a ‘catch up’ night where I sleep 10 to 12 hours.”

The team of three that Allen originally worked with on the China Project has now blossomed into a 10 person support team at American Motors plus nine people in Beijing (Peking). Signing ceremonies in Beijing in May, 1983 officially established the Beijing Jeep Corporation, China’s first automotive and largest industrial joint venture today. “The market potential for 4-wheel-drive in China is enormous,” explains Allen, “because their road system is comparable to old country roads. Primary customers for these vehicles will be the government and commercial entities, but private individuals will also be able to buy them if they have the money (about \$6,000).” But where would a Chinese private citizen get \$6,000?

“There is a subtle encouragement now in China for the entrepreneurial role,” says Allen. “Many farmers, for example, are now free to sell excess produce at market-dictated prices. As an encouragement to increase productivity and efficiency, the government is easing the stiff controls that used to exist. Four years ago there were only a handful of joint ventures with a western partner — now there are over 200. The Chinese want to learn how to use the resources they have in a more technologically sophisticated way, and joint ventures with western partners can help with that.”

Allen’s role in the China project was highlighted by a three week stay in Beijing, where he helped develop the joint venture’s first year profit plan and capital equipment investment schedules. Shortly after his return, he was promoted to supervisor, program administration for AMC’s international operations product group. After graduating, Allen accepted a position in his native city of Dallas, where he is now an industry analyst on Texas Instrument’s corporate planning staff.

Cindy Ziemer

*B.F.A., Fine Arts
The University of Michigan
Work Experience: Art Director*

“What makes the case method interesting is that so many different ideas and perspectives come out of the same material. You go to class and think, ‘wait a minute — did you read the same case I did?’ ”

Let’s hear from our token art major is a comment I used to get from one of my professors,” says Cindy Ziemer, “but I like coming from a different background. There are a lot of BBAs and economics majors here — the typical paths to the MBA. Art, obviously not a typical path, gives me a differential advantage in the business world.”

Cindy started in the engineering program at Michigan because she was practical and good in math, but after two years in the program and two internships (one at Pontiac Motor Division and one at General Motors Technical Center), she decided industrial design offered her more than engineering, and so enrolled in the art school. After graduation with a bachelor of fine arts degree, she went to work for Roling and Rau, a small Wisconsin advertising agency. There she created layout and design of advertisements for a variety of clients, and contracted photographers, models and printers for promotional material. “It was a small company and I wore a lot of hats,” she says. “It was just the experience I needed at that time. But I wanted to be an account manager, and for that I needed the MBA. So after a year in Wisconsin, I came here.



Dean Russell

“In advertising, the MBA is a business tool. More often than not, the client has an MBA and you have to know almost as much about his business as he does. You have to learn the business language and strategic concepts in order to create his advertising and handle the marketing issues that arise. The account manager also acts as a consultant, because the client lives with the product daily, he often loses his objectivity. The account

manager is not as ‘married’ to the product and can therefore offer a more objective viewpoint.

“Business school was not as difficult as I expected,” says Cindy. “I think it’s because everyone is in the same boat. By that I mean everyone is going through the same test-taking pains, case-review pains, and going-to-class pains. When you go to the library and everyone is reading the same book, you don’t

feel as miserable. What makes it interesting, though, is that so many different ideas and perspectives come out of the same material. You go to class and think — wait a minute. Did you read the same case I did?”

Last summer, Cindy worked on the United Airlines account as an intern with the Leo Burnett Agency in Chicago. “That internship gave me a chance to understand all aspects of the agency,” she says, “including the media, research and creative departments as well as preparing strategic marketing plans. In the middle of the summer, I took over the responsibilities of an assistant account executive. I was lucky. As a summer intern I did the work of a full time employee.”

After graduation with her MBA, Cindy will work in New York. “With 55% of all U.S. advertising being produced there,” she says, “it’s a marvelous training ground. Also it’s easier for me to move around now when I’m young and my plans are flexible than it might be later.” She has accepted a position with Dancer, Fitzgerald and Sample Advertising in New York. “When I interviewed there,” she says, “I felt I fit in right away. You can set up cost/benefit models about where you want to go, but when it comes right down to it, who you work with is so important. I think certain people might be successful in certain companies and not in others of the same industry. So after the rational models, you have to follow your heart rather than your head and go where you feel right. Success doesn’t only come from increasing the bottom line. It also comes from politicking, offering good solutions to problems, finding the right support network, and keeping your eyes and ears open in order to recognize opportunity when it’s there.

“There are some elements of success that are difficult to teach in the Business School. In a sense, our professors are teaching us partial solutions to problems that don’t have one answer. That’s why the MBA is a tool — it has taught us a certain way to learn, and then we have to build on that foundation.”



Paul Jaronski

Olivier LeCerf

*M.S., Mechanical Engineering
Ecole Nationale Supérieure d'Arts
et Metiers, Paris, France
Work Experience: Product and
Development Engineer*

“Issues such as ambition, Machiavellianism and politics in the workplace are certainly a fact of business life, but we don’t talk about them in French schools.”

For Olivier LeCerf, some things he learned in the MBA program were, at first, a shock. “The old French schools are like a polished stone,” he says with deliberation, “in that a lot of topics in business don’t surface. For instance, in OBIR classes here we talked about company culture. To me, this openness was impressive. Issues such as ambition, Machiavellianism and politics in the workplace are certainly a fact of business life, but we don’t talk about them in French schools.”

Olivier, who has a master’s degree in mechanical engineering, came to the United States from France in 1982 on an internship with Airesearch Industrial Division in Los Angeles. “I had to adjust quickly to American business,” he says, “partly because no one spoke any French there. But the problems I encountered weren’t related as much to language as to cultural differences. For instance, respect and recognition of decision makers is part of the American business way of thinking. Most people still respect this as being an essential

part of the capitalist system. In France, the young feel uncomfortable about giving orders, being responsible for others or having people work beneath them. I feel this is due to the fact that a growing anti-management feeling has been developing in French society for the past decade or so. Basically, if you are "in charge" you are the "bad guy."

Olivier was prepared for this cultural difference, however, because between graduation from college and coming to the United States, he served in the French Navy as an officer on a small warship that traveled mostly in Africa and the Mediterranean Sea. "My commanding officer liked to delegate," he explains, "so I rose to a position of great responsibility within a short period. I was in charge of 35-40 men and it took me a while to get over ordering them around. You need to be careful about the way you give orders because there are a hundred ways the men can be nasty to you and still be inside the rules. Out in the ocean, the varnish of society is worn off and true personalities are revealed. The environment is a hard one, and everyone has to make it work. That experience taught me a lot about human relations."

Since January, Olivier has been working full time and finishing his MBA in the evening program. He conducts market research; provides technical assistance to the sales departments, and does public relations for a subsidiary of Renault called Industrial Development and Procurement, Inc. (IDP). "One advantage of going to school and working," he says, "is that what I'm learning at night is directly applicable to what I do during the day. From my standpoint as a foreigner, the most important aspect of the MBA is the exposure to many elements of business through the case method. In France we are trained on a theoretical level, and strongly in mathematics. The case method compresses so much material into a small time space I feel it would take me ten years working on the job to get the broad perspective we get from this teaching method. Americans are not

afraid to talk about the real issues that affect a business, and the cases relate to the everyday problems that a company encounters. We talk about real companies with real problems and real successes."

Olivier has not been overly affected by the rigor of the MBA schedule. "There comes a time when you have to laugh about the pressure," he says calmly. "An MBA is one thing, but my health and my life are another. The pressure of getting a high grade point has not reached me as I feel it has reached others. To see future managers arguing over two points on an exam is really a shame. When you're on the job, you're evaluated on results, not grade points."

Eventually, Olivier wants to be in corporate finance, but his medium range plans are to be in operations, including marketing and production. "Because American business is so specialized," he says, "some people may see this as a drastic change. But I feel that you are a better financial person if you have a grasp of what operating people are doing. And the best way to get that grasp is to be there a while."

Carolina Garcia

*B.S., Engineering
Case Western
M.S., Engineering
The University of Michigan
Work Experience: Engineering*

"I talked to a lot of people at work about where I should go for the MBA, and many advised me to go to Michigan. I have felt I made the right decision every day of the week."

"I want to have a good everything," says Carolina Garcia in a rare subdued tone of voice, "versus an excellent one thing. Whatever opportunities are available, I want to take them all. But there's got to be a balance. Think about when you're sixty or seventy, and say you've made it as a CEO. What else do you have to show for yourself? Is the company you worked for going to be the thing that keeps you warm in your old age? I mean, what's being old without a family around? For me, life has to be more than a career."

For now, though, Carolina is concentrating on the career. After receiving her bachelor's degree from Case Western Reserve and her master's degree from the University of Michigan, both in polymer science and engineering, Carolina worked for General Electric as a development engineer, coordinating the adhesives work on a new process for making halogen headlights for cars. "At first I liked it," she says, "but after about two years I noticed my motivation was slipping. I finally figured out that what I missed was interaction with people. I was working with data and equipment, and I wanted something more people-oriented."

At this point, it seemed a good



Virginia Geren

decision to go for her MBA.

"I talked to a lot of people at GE about where I should go — and many people advised me to go to Michigan. I have felt I made the right decision every day of the week. The schoolwork has been a challenge. I have felt like I'm stretching. The MBA has been useful to open doors to me. The degree has given me credibility in the business world, whereas without the business skills, I'm pegged as an engineer and that's it."

Carolina's game plan is to start her career in strategic planning and then move to human resources. "I know it's the people issues that will keep my interest for a long time, but I also know that if I started out

in human resource management, I'd be doing compensation and pension plans. By starting out in strategic planning I feel I can learn about the industry I'm involved with, and what makes the company do what it does."

Carolina's keen interest and lively enthusiasm for different aspects of work resulted in her working on two jobs last summer. She had applied for a business fellowship in Japan last summer, and before she heard whether or not she had been chosen for it, IBM offered her a job. And then the fellowship came through. Carolina managed to take both opportunities by working for IBM for two months, and then going to Japan.

While working for Nippon Kikan, K.K., a steel making company in Tokyo, she was assigned to write a manual for foreign trainees about breaking the barriers of the Japanese culture. "Here I was," she says, "writing on culture shock adjustment while I was going through culture shock myself. Day after day you are inundated with signs you can't read and a language you don't understand. To communicate with someone and understand their way of thinking is the most important adjustment. I was communicating with dictionaries, so it was a hard step."

Reflecting on her business school experience, Carolina says she feels the extracurricular opportunities are very important. "The pressures of homework and the day-to-day activities of class tend to cloud our vision sometimes of long term things that are important. Because you need to get a project done tomorrow you might not make time to sit in on a special lecture such as the Dean's Seminars where business people come in to talk informally with students, or company presentations given for students. But these kinds of lectures and discussions can sometimes give you a broader perspective on decisions you need to be making about your life."

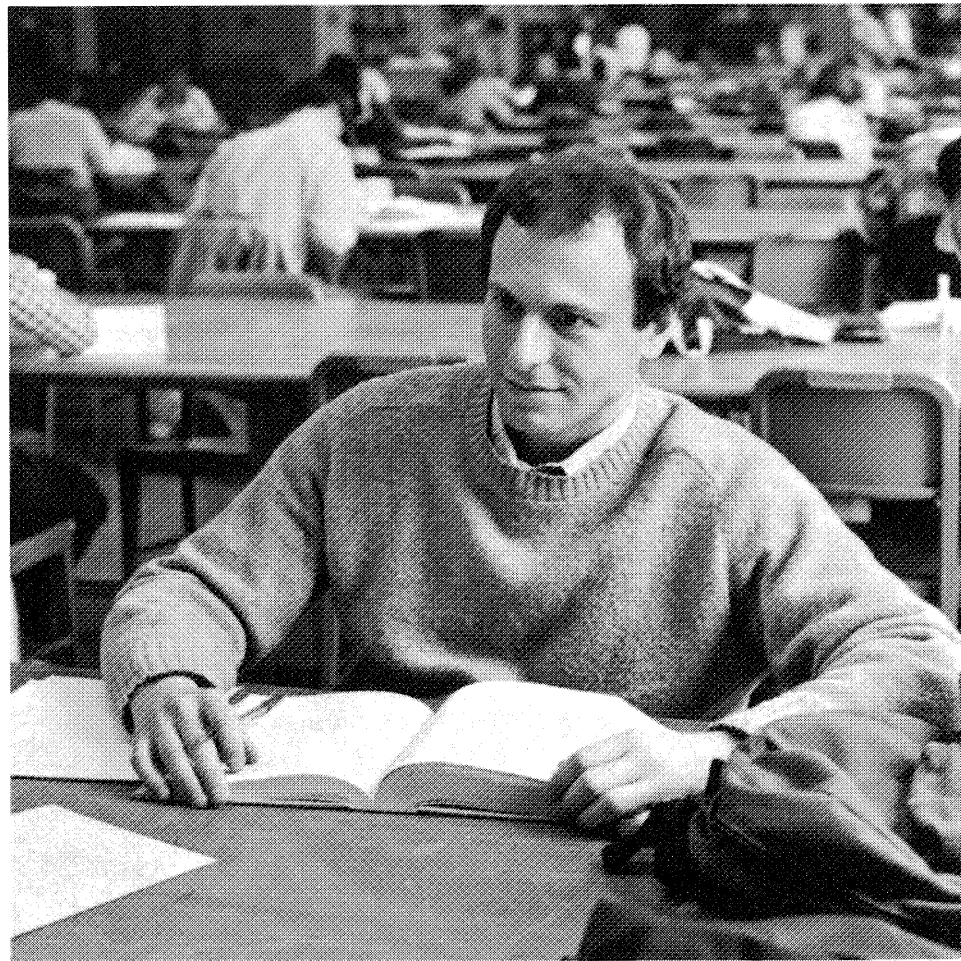
"Business school has changed me," says Carolina. "I still don't know specifically what I want to do with the rest of my life, because I have so many interests. But the difference between now and when I had this problem years ago is that I'm more willing now to make a decision for only one or two years into the future rather than worry needlessly about the next ten years. Previously, I'd put pressure on myself for the long term, and I thought that decisions were set for life. After being at the Business School, I'm more willing to admit I'm going to change. There will always be different situations that will cause me to have different needs."

Carolina has accepted a job in strategic planning with Standard Oil of Ohio.

Jerry Davidson

*B.A., Economics
Boston University
M.S., Urban Planning
The University of Pittsburgh
Work Experience: Urban and
Regional Planning*

“Sometimes I don’t see that much difference between the craziness that goes on in business or that goes on in government. I think I am realistic about what to expect.”



Virginia Geren

To make a transition from the public to the private sector — to retool, as he puts it, is Jerry Davidson’s number one reason for getting the MBA. Jerry got his master’s in urban and regional planning from the University of Pittsburgh in 1978, then worked as a planner in Boston, first for the employment and economic policy administration of the city, and later as a housing management administrator for the Massachusetts Bureau of Housing Management. There he managed state-aided housing programs for 22 local housing authorities with total budgets worth \$2.7 million. “In managing buildings,” he says, “we ran very much like a business.”

In 1980 Gerry became housing development administrator for the Bureau of Housing Development of Massachusetts, and in that post he administered the planning and development of 33 housing projects worth \$75 million.

However, when money for public housing started to dry up, Jerry began to feel that it wasn’t in his best interest to stay in the urban planning field. “The field has been through a lot of changes,” he says. “When I was 22, urban planning

was an exciting field, and I made a strong commitment to it. Now, however, it has diminished considerably in societal terms. If you look in professional planning journals people are advised continually to retool because everyone is afraid of budget cuts.”

After making the decision to go for the MBA, Jerry, who was paying his own way through school, chose Michigan because it had the most cost-effective MBA of the best quality. “I have found the experience very humbling,” he says. “There’s a tremendous amount of information to absorb — the overload is awesome.” Reflecting on the difference between business and the public sector, Jerry says, “I’m not sure they are all that different. Business is a game with different players and different goals, and there is more opportunity there. I really like business — it’s very stimulating. Being a planner means

I have to be sensitive to systems, but the results are more obvious with business systems. In managing buildings we had to be sensitive to cost overruns and so forth, but we were very political. You might get a call from some state legislator saying, ‘you better approve this community room furnishing or I won’t vote on particular legislation.’

Sometimes people are critical of the public sector because they see it as wasteful, but in the private sector, who knows how much money you’re spending on advertising you don’t need, or on product development that doesn’t work? Sometimes I don’t see that much difference between the craziness that goes on in business or that goes on in government. I think I am realistic about what to expect.”

Jerry has accepted a position doing management consulting with Coopers & Lybrand in Boston.

The Computer as Pandora's Box

By Manfred Kochen

Adjunct Professor of Computer and Information Systems

The idea that technology can take on a life of its own has for a long time been a topic of popular fiction. Consider Mary Shelley's vision in *Frankenstein*: a man-created monster who takes on a life of his own and seeks revenge on his creator for having produced the monster which is himself, the horrific Doppelganger. More currently science fiction offers repeated motifs of technology-come-to-life. In Ray Bradbury's story, "And Gently Comes the Rain," we find a mechanized household functioning smoothly even after a nuclear holocaust wipes out every living thing on the planet. No longer a topic limited to fiction, the problem inherent in information technology received widespread attention when Weizenbaum pointed out that modern computer systems, such as those used for defense (with hundreds of thousands of lines of code), have attained a complexity that is beyond the capacity of any one designer to comprehend in full and which very probably contains undetected errors. To what extent can we control such complex computer-based systems? To what extent are we at the mercy of technological imperatives that could shape our lives? We need not go to the extremes dramatized by the film "War Games" to appreciate the

issue, but the film certainly makes a point.

Technologies advance in three stages. In the first, they enable us to do what we have always done, the way we always did it, only cheaper, better, faster, and more reliably. In the case of computers, ones smaller and using less power must be added. Parallel computers, networks, new graphic capabilities, expert systems and means for the business executive to use the computer directly, without an intermediary, are bringing us to this stage. In the second, they enable us to do what we could never do before. In the third, they change our lifestyles. Microcomputers in the telephone, in the car, inside the household's appliances and the ubiquitous work station may lead the way. Our conception of what it means to solve a problem is changing. We no longer need to specify to a computer how to solve a problem. It suffices to tell it in English-like terms what the problem is.

An insidious and dramatic way in which technologies for information and control can change our lifestyles is the prospect of structural unemployment. For the first time in history this may take on a new aspect. In the past, the displacing technology has usually

generated more jobs than it displaced. But this technology is so pervasive that it could — and perhaps should — reduce the total demand for human labor, particularly work involving physical or mental drudgery, danger, routine dexterity, manual strength, great exactitude, or tiring tedium. It is the information industries themselves that are most vulnerable to these effects. These 29 industries, comprising banking, insurance, brokerage, marketing, schooling, research and development, to name six, occupy well over half our labor force and over a third of our GNP. It is still the most rapidly growing sector of the economy. According to estimates by Machlup and Kagann, in 1970 over 59% of the employed knowledge workers were engaged in transporting knowledge (e.g., messengers), transforming it (e.g., stenographers) or routinely processing knowledge (e.g., bookkeepers). Even though in 1970 knowledge workers were only 43% of all workers, these three functions (which are readily automated) accounted for 25% of the total U.S. labor force. Indeed, OECD had estimated in 1980 that 33% of the labor costs in banking and insurance could be "saved" by the end of the decade. Protection of jobs is a reactive response to this possibility rather than a proactive plan that

would indicate our being in control of the situation.

We can adopt one of at least three attitudes to face these changes. The first is passive. We wait until the dust settles and then adapt. Hopefully hindsight may give us a clearer picture of what to adapt to and experiential wisdom and learning may have taught us how to adapt. The second attitude is to forecast and anticipate the changed situation. This gives us lead time for advance preparation. But it involves uncertainty and risk, even though if we choose well (are lucky but appear wise in retrospect) those uncertainties and risks may appear ephemeral. We may avoid dead ends, possibly irreversible ones. The third attitude is to target the lifestyles we want and to shape changes toward these goals. This takes considerable courage and confidence. We control the technology if we have a clear vision of what we want, the political will to realize it, the necessary economic resources and the know-how. To the extent that we do not mobilize these four factors, we are controlled by the momentum of technology and must remain uncertain about the human values in our future.

The free market is a major control mechanism. If we don't want a certain item, then we don't buy it. If our experience with computer conferencing overwhelms us with inputs of marginal value that require us to spend more time in scanning them than we would otherwise have spent, we will not use it. But technologists are increasingly aware that it is human factors, not the hardware or software, that make their services unacceptable. Driven by self-interest, they are likely to improve their services until they are more widely accepted. Consequently, we may find computer conferencing, for example, useful for the way it increases our productivity and reduces some costs. We may unwittingly come to adopt new procedures that both we and the technologists failed to anticipate. We will then evaluate these new procedures balanced against their

side effects and opportunity costs. We may or may not feel that, on balance, we are ahead. And it may be too difficult and too costly to change unanticipated procedures. There is no guarantee that if everyone acts in his own self-interest, the long-run consequences will be lifestyles valued by most and regretted by few.

Control of technology therefore requires planning; not centralized planning, but design of enough checks, balances, and provisions for detecting, correcting and learning from unavoidable errors, and preventing non-correctable mistakes. Both planning and management of technology are likely to be the responsibility of persons in an organization who already have a power base and who seek to increase it. Insofar as such persons decide that everyone in the firm uses a work station, electronic mail over a local area net, etc., the end-users are no longer free to express their discontent with the system by not paying for its use; they may not use it, but it is already paid for. If such power-seekers place their own ambitions before the good of the firm or cease to be responsive to end-users' needs, they will either be replaced or bring the firm to ruin.

At present, there is considerable emphasis during system design to build in adequate controls to prevent abuse or breakdown. The thirty years of experience in managing the development of computing services in firms, with the well-known four stages of cost reduction (e.g., payroll, billing, accounting programs), expansion (proliferation of applications with out-of-control cost overruns), formalizations (attempts to control, halt spending), and maturity (sober use, database systems, etc.), has led to tighter control of the development cycle and greater accountability for computer systems. This has led to efficiency gains in some industries but not in others, such as health care. The highly profitable crime industry, for which, according to the Narcotics Intelligence Estimate for 1980, retail

sales of narcotics alone amounted to \$79 billion that year in the U.S., may become vastly more productive with the help of computers. Technological fixes will not lessen computer crime; fresh approaches are especially needed to avoid this disaster.

Government regulation has played a limited role. Unlike the Japanese, who are actively shaping their information society with a coordinated government-industry effort, we are relying on individual initiatives. These are still serving us well, but with increased complexity of this field more is left to chance. Congress, however, now counts a computer scientist, Rep. Ed Zschau, among its ranks.

Office automation beyond word processing, electronic spreadsheets and electronic mail has yet to make its full impact on management, with time management, decision-support and expert systems yet to come. Office managers have yet to cope with the proliferation of desktop units. The use of on-line planning for strategic planning, wherein the player can set psychological parameters of simulated players (competitors), may someday do for executives what VISICALC does for middle-level administrators. We may well find ourselves in an office of the future in which computerized knowledge bases store so much of the consensual, combined knowledge of experts and the latest research findings suitably evaluated, screened and integrated to leave us not daring to question the computer system. We may come to question our role in managing our affairs and yearn for a return of human involvement. We may find ourselves entrapped in an office of the future in a way similar to that depicted by Charles Chaplin in the 1930s for what was then the factory of the future. We must not lose control.

On the whole, our lifestyles have changed, but not yet dramatically because of computers. A switch from passive TV watching to videogames is popular, but harmless. In the office, the computer has become a useful scapegoat for the frustrations of work being held up by equipment



"This problem has been my life's work. I planned to devote my remaining years to it. It's just been solved in four seconds."

being down, poor documentation or lack of fluency in the use of technology.

The major change in lifestyle is yet to come, and soon. It is likely to come to our notice after it has insidiously grown for some time, catching most of us unprepared. Some fantastic examples will make the point. In the 1960s, Delgado at Yale had shown that a charging, raging bull could be stopped dead in his tracks and compelled to lie down peacefully by a radioed signal to an electrode implanted in one of four regions in his brain, where electrical stimulation reduces rage. He ceased this research because of its social implications and the ethical issues it raised. Adam Reed, working on prostheses for the blind, fantasized about a microcomputer implanted in a person's brain; he envisioned the possibility of progress on some very profound software problems to the point where a person need merely think he wanted to know the product of 879 and 577 and the answer would be signalled back through appropriate neurons. He felt in 1960 that this could be possible in 50 years, and that it would take that long for society to be ready. Indeed, current work on biomolecular electronics (e.g., by EMV Associates, Inc., which may form a limited partnership with E. F. Hutton) is counting on some breaks so that in five years a "moletron" or biochip would replace the transistor. The idea is to fabricate an amino acid chain that will assemble itself, using recombinant DNA and immunological techniques. Some believe that the resulting biochips would be a billion times more powerful than today's silicon chips, 100 million times faster, much smaller, generate no heat, and could be grafted into the nervous system of a person. Modern biotechnology is increasingly information-intensive, and the fusion of three high-technology (computers, communications, molecular biology) fields portends new kinds of power at an unprecedented level. It is as if we might experience a million times the impact of Pearl Harbor

“The fusion of three high technology fields portends new kinds of power. It is as if we might experience a million times the impact of Pearl Harbor but with less preparation.”

or Hiroshima but with less preparation.

Is control possible? If so, how can we control computers? What are the limits to our control? If microcomputers, like pocket radios, are owned by most people, by interconnecting them with all-pervasive networks, we could develop new forms of participatory governance, new opportunities for business, unprecedented means of continuing education. The vision of new societal organs analogous to the nervous system and brain of an individual is not far-fetched. Whether this emerging societal information network will evolve into something that serves society with higher mental functions the way a brain becomes mind for a person, or whether it will turn into an Orwellian 1984 nightmare, is to some extent up to us. Control is possible, for denial of that possibility implies that we could not halt research and development in these technologies. But this was shown by Delgado; similarly, the moratorium on recombinant DNA research which research biologists at Asilomar imposed on themselves indicates self-restraint.

We can control computers and related technologies in several ways. We can ensure that the consultants who staff information centers, which are probably the most viable organizational structures for helping business professionals indirectly using computers at work stations, are humanistically oriented and liberally educated, in addition to their expertise in business and technology. We can design into

man-machine interfaces a means by which the user selects and fine-tunes the degree to which he wants the system to induce him to comply with the directives he programmed into it, as in the case of time management. We can support basic research into the key issues relating to control: how to replace power by authority; how people form a consensual image of an information society according to human values; how to keep such an image in perspective with top priority; how to create and nurture the autopoietic process that maintains the checks, balances, and self-regulating information flows.

Control is an emotionally charged concept. Too much of it, too rigidly or tightly exerted, evokes images of tyranny and totalitarianism. Too little of it, with lax, undisciplined, inconsistent or weak exertion evokes fears of loss of control. False dichotomies and false questions may mislead; for example, would we rather be controlled by technologies developing on courses of their own, uncontrolled by us — or by powerful groups of men who control technology as well as us for their own ends? These are not the only two options, nor necessarily the most viable ones.

We can and should take steps to control the development of technology by assessing very carefully our specific needs for technology in our jobs, by imagining exactly and realistically how we would like to use it and what we expect it to do for us. We need to imagine as vividly as possible the likely consequences and whether we would like them. Only then should we embark on the acquisition of hardware, software and the design of procedures for using computer services. As many of us consider acquiring personal computers we must resist the temptation to buy hardware and software without *first* thinking through clearly and in detail how we will use them and what they will do for us. We may come to regret assuming that we can best do that later, when we have experience and a clearer idea of what we can do with the system.

Jesse Hill, Jr., MBA '49, dynamic president of the largest black-owned insurance company in America, also wields considerable political clout.

A Quiet Mover and Shaker

by Linda Benson

Upon receiving his MBA in actuarial science from the U-M in 1949, Jesse Hill, Jr. boarded a train headed for Atlanta, Georgia — not necessarily the most inviting location for a young, talented, ambitious black man with a degree from a northern university. Furthermore, the job he had accepted with Atlanta Life Insurance Company offered him the lowest starting salary of any that had recruited him, and that included the New England “giants.”

But Hill saw a different set of circumstances. To him the offer from Atlanta Life afforded the best opportunity to grow and move up within the ranks, and Atlanta's black business community, which included a black-owned bank, held a vibrant fascination to him compared to the slower tempo of other southern cities.

Thirty-four years later Hill is still with Atlanta Life — he has never had any other employer — only now he is the company's president. And the company is thriving. It presently does business in 12 states and serves nearly 585,000 policyholders with more than \$1.6 billion of insurance in force. The company's capital and surplus is \$26,125,000, making it the largest from the standpoint of net worth of any black-owned and controlled business in America.

Outside of a two-year stint in



Jesse Hill, Jr.

the U.S. Army during the Korean War, Hill has lived continuously in Atlanta. That is, when he has not been dining at the White House with his wife as personal friends of Jimmy and Rosalynn Carter; stumping in Carter's presidential campaign as part of the Peanut Brigade; participating in the Poor People's March with Martin Luther King, Jr. or Operation Breadbasket with Jesse Jackson in Chicago; circling the rural areas of Georgia

in countless voter registration drives; sitting on the State of Georgia's Board of Regents; or attending meetings of the board of directors of companies such as Delta Airlines, Morse Shoe Company, Knight Ridder Newspapers, Communications Satellite Corporation, Trust Company of Georgia Bank, National Service Industries . . . the list seems endless. In fact there is hardly an area of contemporary political and economic life that Hill hasn't touched and contributed to, nationally as well as in Georgia, in the white community as well as the black one.

“I never resisted coming to the South,” Hill says of those days immediately after graduating from the Business School. “Atlanta always seemed a beacon to me. I never wanted New York or California. I had admired what blacks had accomplished here in terms of business development and black pride.”

It was not a case of random selection. Hill had a chance to observe and compare Atlanta to many other cities while planning his future. As an undergraduate attending Lincoln University in Jefferson City, Missouri, Hill was business manager of the track, basketball, and football teams. “I think I weighed 100 pounds dripping wet,” he says of his

Linda Benson

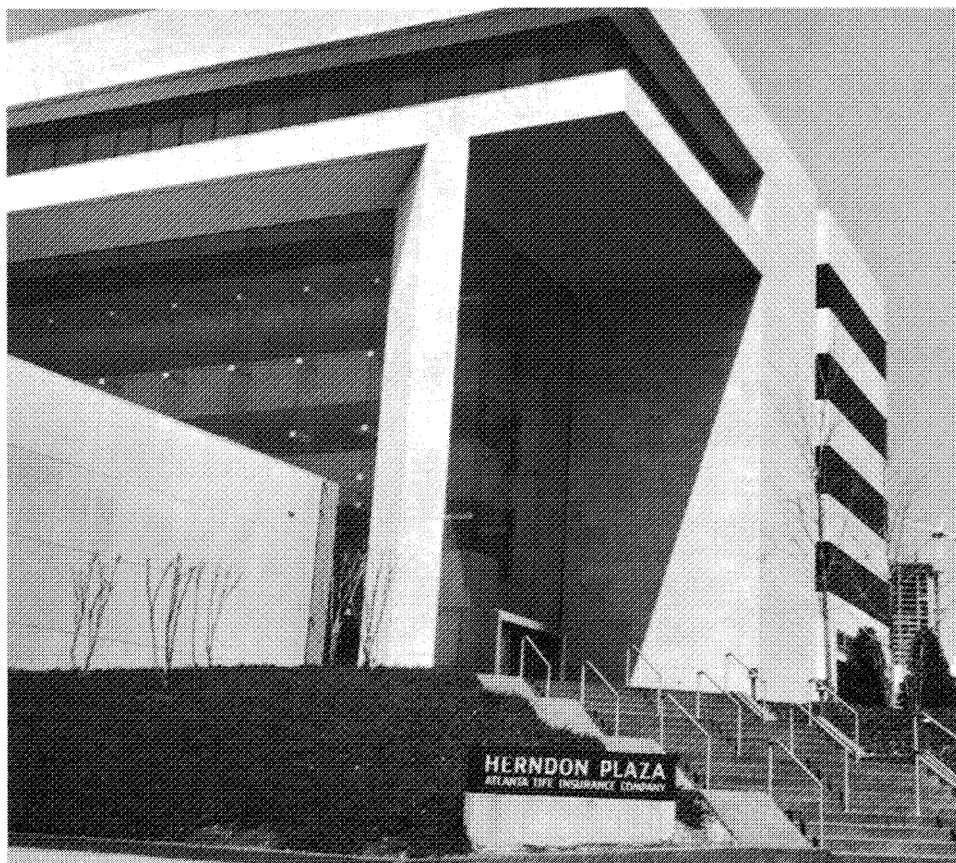
appearance which is still slight and springy at age 57. "But we traveled to all of the major cities in the South, and none was like Atlanta."

Raised by his mother and his grandfather, Hill got his first business education in the streets of St. Louis. "I consider my grandfather the smartest man I've ever known. He was a peddler and I would accompany him. We sold ice and watermelons in the summer, and wood-burning stoves in the winter. You had to sell your ice before noon or it was gone. If you didn't have business acumen you were sunk. My mother worked for the Pullman Company, laundering sheets for the sleeping cars."

When Hill was around 12 or 13, old enough to develop his own business enterprises, he retrieved the copper fittings from discarded light bulbs as well as bottles and cardboard from the dump site of the local Monsanto Chemical Plant to sell for scrap. "It was one of my most lucrative jobs," he says recalling that time. "We all worked hard, but my grandfather and mother both believed that there was dignity in hard work. It was a joyful time."

As a college student, Hill knew that he wanted to work in the insurance business, and he was interested in mathematics as well. A strong friendship with one of his professors gave him the necessary encouragement and direction to seek a graduate degree, and U-M was one of only two that were offering MBAs in actuarial science then, the other being the University of Manitoba. After graduation, Hill chose to work for Atlanta Life primarily because of its founder, Alonzo Herndon, a former Georgia slave. "His was such a wonderful success story," he says.

That success story began at the turn of the century in Atlanta's bustling black business community along Auburn Avenue (nicknamed "Sweet Auburn"). Atlanta's black population was growing rapidly, as people from rural areas migrated to the city. Low paying jobs and poor living conditions meant that many of these newcomers were confronted not only with high rates



Linda Benson

Atlanta Life's new five-story, six-level headquarters building is another marker of the company's stability. It cost \$10 million and was paid for in full by the time the building was dedicated in July, 1980.

of illness and death, but at the same time had very little if any extra money to set aside for emergencies. To fill the need for sickness and burial insurance, many church-affiliated benevolent associations sprang up.

Atlanta Life began as the Atlanta Benevolent and Protective Association — one of those church-affiliated organizations that were formed to fill a practical need in the community. But when the State of Georgia passed a law in 1905 stating that such groups needed a \$5,000 surety deposit to stay in existence, the two black ministers in charge of the Atlanta Benevolent and Protection Association knew they could not comply with the new law. In an effort to keep the Association within the black community, they offered it to Alonzo Herndon, who owned three barbershops in downtown Atlanta. He had many friends and

connections in the white community and was able to put up the \$5,000. He purchased the Society for \$140, and established himself as its president.

The company grew rapidly. By the end of 1905, it had its own building and sales in several Georgia cities of nearly \$181,000 representing more than 6,300 policies in force. Many of these policies were industrial or home-service insurance, which provided sickness benefits of a few dollars a week or \$500 worth of death benefits to low income blacks for whom Atlanta Life and similar firms provided the only economic safety-net in times of crisis. The premiums were small and collected by agents on a weekly or monthly basis. The growing network of agents in the field were frequently boarded by their policyholders when they made their weekly collections.

By 1922 the company had increased its capital stock to \$100,000 and was renamed Atlanta Life Insurance Company. At that time, the firm began to offer ordinary life policies, and opened branches in several new states.

Alonzo Herndon died in 1927, and the presidency passed to his son, Norris, an alumnus of Atlanta University and the Harvard Graduate School of Business. Under his direction, the company expanded into 11 states in the South and Midwest, and by 1950 listed assets of \$23.9 million. Shy, retiring, and unmarried, Norris Herndon was reputed to be the richest black businessman in America, and he began contributing extensive sums of his wealth, anonymously, to the betterment of black political and economic life.

By the time Jesse Hill arrived in Atlanta, when the decade of the 1950s was just beginning, it would be hard to live or work along "Sweet Auburn" and not be caught up in the activism that was beginning to stir. Ebenezer Baptist Church, with the moving oratory of Martin Luther King, Sr. (Daddy King) and his son, Martin Luther King, Jr. was a vital force in the black community and located just a few blocks away from Atlanta Life's headquarters. During that decade Atlanta Life became involved in the Civil Rights Movement, contributing tens of thousands of dollars to organizations in the vanguard of the Movement.

In the 1960s, when many black churches were closed to civil rights meetings throughout the South because of intimidation and threats, Atlanta Life offices were frequently substituted. Hill too, became involved, principally in voter registration. For almost ten years he served as chairman of the All-Citizens Registration Committee in Georgia. "We raised more new voters than any other state in the South," Hill says. "We helped elect progressive candidates like Mayor Allen over Lester Maddox, and we worked for the election of the first black state senator, Leroy Johnson. It was a new era."

As Hill rose through the ranks of Atlanta Life, eventually to vice president and chief actuary, his performance was followed closely by President Herndon. When Herndon retired in 1973 he chose Hill to succeed him. The board approved Hill's appointment as president, chief executive officer, and chairman of the executive committee. "If I had to say what was the greatest thing that has happened to me from the standpoint of my career, it was the confidence Mr. Herndon put in me," Hill says today.

According to an article on Hill published in the June 1982 issue of *Black Enterprise*, the black insurance business is undergoing tremendous change. "In the 1970s, large white firms were actively recruiting black agents and office personnel and carving up a consumer market that once had belonged almost entirely to black insurers," says the article. "Atlanta Life responded to the challenge by expanding its operations into a total of 12 states and merging with several other black companies." The magazine quotes Hill as saying that the company's marketing strategy for the 1980s should be to conserve a significant part of the home-service insurance market where the need exists, but 'we have to go for a greater market share of the growing black middle class business while trying to capture a bigger part of the total market.'

The article continues, "Part of the company's thrust to expand and capture a greater share of the total insurance market should involve the maintenance of a staff or well-trained and versatile agents in the field, Hill believes. 'The growth and development of this company is going to be on the backs and shoulders of the rank-and-file agents,' he says. He worries, however, that as older, proven agents retire, the company won't be able to attract new people of the same caliber.

"To attract and train good agents, Hill initiated an in-service training program known as the Career Sales and Management Academy for Selected Business Majors. Begun six years ago, the academy is devoted to

training new employees with sales and executive potential."

Hill has developed a personal style of restraint and an ability to communicate across economic and racial lines that has brought him numerous requests to use his energies in various civic, political, and business posts. "Sometimes people call me up and speak like I am a social worker or on the staff of the Urban League or the NAACP," says Hill. "I am not annoyed by it, but sometimes you lose your identity as a businessman. People don't realize I have a full time job, too."

Hill was the first black to serve on Georgia's Board of Regents, the first black on the board of directors for Rich's, Inc. department store chain, and the first black to become president of the Atlanta Chamber of Commerce. He has also given his abundant energy to political causes.

In the late 1960s, through his work on voter registration, Hill made the acquaintance of Jimmy Carter. In 1974, two years before Carter's term as Governor of Georgia was over, Carter invited Hill, along with 11 other carefully selected Georgians of influence and prominence, to his home to discuss strategy for Carter's election to presidency of the United States. "Mainly, Carter appealed to us for contributions and contacts," says Hill. "He had a well thought out plan, and the more you listened to him the more impressive he became."

Hill came on board, joined shortly thereafter by his good friend from the Martin Luther King days, Andrew Young. Hill not only provided money and connections but time and effort traveling around the country in the "Peanut Brigade."

When Jimmy Carter was elected president, he offered Hill a cabinet post in his administration, but Hill declined. "I see my most effective role to America and to the president as a private-sector businessman," he was quoted as saying at that time.

Hill still keeps in touch with Jimmy Carter, and both are working for Carter's former

Continued on page 44

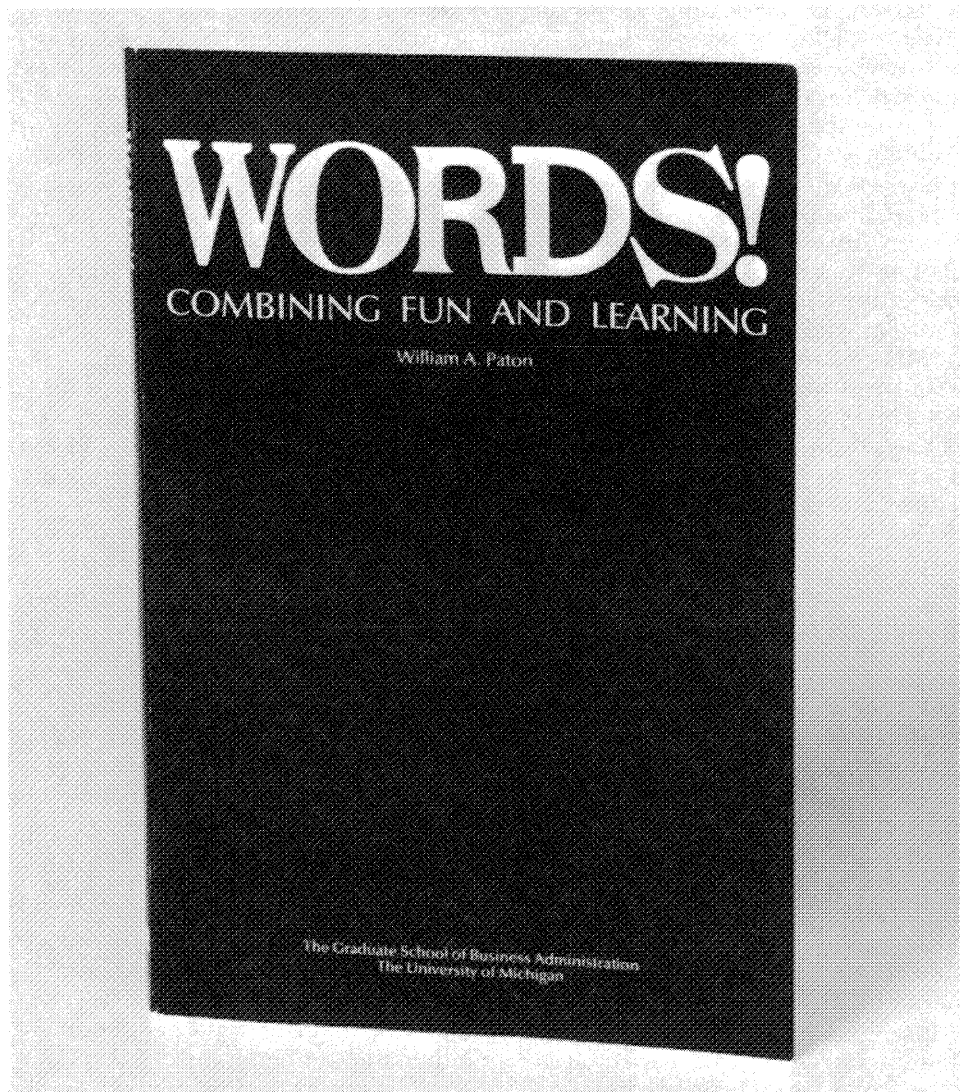
Paton's Puzzles

A beloved teacher and premier accounting theorist gives us a delightful and very personal book

"Words are man's greatest tool," writes William A. Paton in his newest book. "Words are the essential constituents, the building blocks, of both language and thought. Words are the basic means of moving men's minds. Words, and the impressions and attitudes associated with and resulting from their use, literally rule the world."

The book, *Words! Combining Fun and Learning*, is both a culmination and a radical departure for Professor Paton, whose publications have virtually revolutionized the accounting field. His delight in learning, transmitted through an extraordinary intellect, has infused thousands of lives with a love of learning. His newest book, published by our Division of Research, combines his special observations on language with a lifetime's treasure of challenging word games, compiled over the years and reflecting his long-time keen interest in the English language, as a reader, teacher, and writer.

In his introductory chapter, Paton writes, "The relation of word mastery to individual progress and performance deserves some attention. I was much impressed with the results of a study made about seventy years ago, and reported, as I recall, in the *Atlantic Monthly* (then considered by many to be the country's outstanding literary magazine). The objective of the inquiry was to determine the key or keys to success in



Professor Paton hopes his book may be helpful to those who are trying to teach children or grandchildren at home, in an effort to offset the lack of good instruction in many schools these days. Dr. Rudolf Flesch, author of the bestseller "Why Johnny Can't Read" and the recent "Why Johnny Still Can't Read," has strongly endorsed the book.

administering business undertakings, and the means used was a close scrutiny of the traits, habits, training, and experiences of several hundred executives widely recognized as having attained notable success. Both interviews and written inquiries were employed in making the study. The list included leaders from all major business fields, and embraced many men with no college background whatever and not a few with little precollege schooling. (The survey was made back in the days before the country became obsessed with the idea that everybody should go through "high school" and, preferably, continue on to a college or university degree.) As would be expected the study disclosed a great diversity among the group covered as to ancestry, physical characteristics, early home life, and so on. But there was one attribute or quality that was conspicuously shared: *superior vocabulary*. Almost to a man these executives knew words and how to use them. And when the group was broken down into those with formal education beyond high school and those without college or university training there was no change; the "uneducated" subgroup showed almost exactly the same vocabulary rating as their brethren with advanced educational background.

"In fifty-five years of teaching, all at the university or college level, I have had contacts with at least 20,000 students, and with about 10% of this number I became quite well acquainted (through advanced classes, consultation, helping them find positions) and in the case of perhaps half of this smaller group I have followed their careers closely ever since they left school. I have made no systematic study of the personal aptitudes and characteristics of the many who have done exceptionally well in professional and administrative posts, but I have noticed, in not a few cases, that those who have made the top flight, reached the pinnacle in their enterprises, are men well fortified with words and proficient in their use. It will offend no one now if I refer to a conspicuous instance.

Some years after he had left my classes one of my students was advanced to the chairmanship — the top executive post — of one of the world's largest industrial corporations. I was away from home on a consulting job at the time but one of the interested daily papers ran me down, by phone, in the middle of the night, wanting a statement regarding this man's performance in his university days. I was glad to respond, and I remember stressing two factors: (1) his persistent determination to excel, and (2) his command over words — his exceptional vocabulary for a youngster in college, and his skill in expressing himself in both writing and speaking.

"In this book, I propose to outline some of the ways in which one can have fun with words, play with words. There are many kinds of simple word play that require no equipment other than pencil and

paper, can be started — and stopped — in a jiffy, can be used to while away some time when nothing more serious is demanding attention, or provide a bit of diversion and relaxation — a break — in the midst of some exacting and tiring work. Such play can be enjoyed at the office, on the plane, at home, and some forms can be puttered with, as a mild mental exercise, while in bed, as a substitute for counting sheep. Indeed, I have hit upon some of my best "conversions" when half-asleep.

"But there is plenty of evidence that more than fun is involved in playing with words. I'm convinced that pursuing this form of amusement will improve one's spelling, build up knowledge of shades of meaning, promote better pronunciation, and expand the working vocabulary.

"In short, while the writer's immediate objective is encouraging the lighter side of an interest in words he also has in view stimulation of a serious concern with words and their sound and effective use in writing and speech. Strengthening word power, assuredly, is a worth-while goal for all of us."

Having argued persuasively that mastery over words is an important and even essential ingredient of success, Paton plunges into the various puzzles that he has collected for our delight and edification. They are divided into chapters according to different types of puzzles, and the first of these is conversion. This involves rearranging *all* the letters of a key word into one or more other words. Here is a rhyming puzzle using a seven letter word that can be converted to three other seven letter words. (Answer on page 26.)

When Daddy-O in deep -----
 Puts baby Bill flat in a chair,
 And then in spite of yells and kicks
 Proceeds his ----- to fix.
 Smart wife complains, though very tired,

"To that you should not have -----"

But Grandma, coming in amazed,
 Declares that Daddy should be -----

Our article offers some delicious tidbits. For the full nourishing meal, we invite you to order the book itself, which is available to *Dividend* readers at a discount. As a special bonus, each copy ordered with this coupon will be autographed by Professor Paton.

Please send ____ copies of
 WORDS! at the discounted
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Another type of word game involves progression. The game consists of making a series of words, beginning with a word of one or two letters, and adding one letter at a time until a word of nine or ten letters is reached. There is no fixed letter length to be aimed at, but experience shows that a ten-letter word is the practical limit. Here is an example prepared by Paton. (Answers at bottom of this page.)

The Mason's Confession

"_ hid _ _ in the _ _ _ on the _ _ _ _ home: the metal _ _ _ _ _ with which I killed the _ _ _ _ _ . My _ _ _ _ _ got him, following his blow with one of my _ _ _ _ _ , before he could _ _ _ _ _ his improvised weapon as I had _ _ _ _ _ mine."

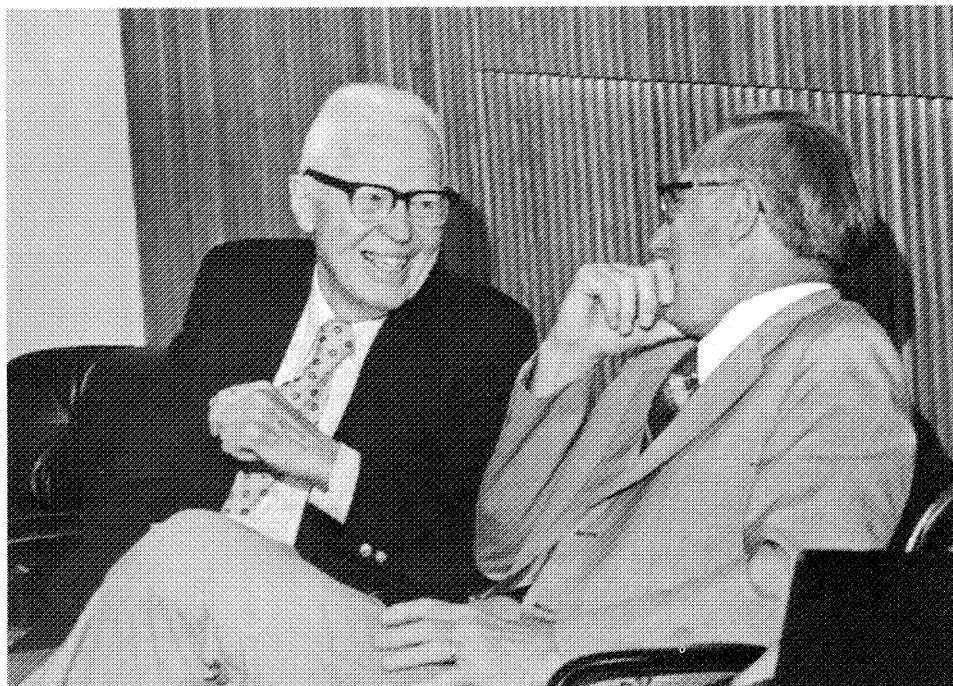
Paton also provides lists of word progressions around which a story can be built. Here is one such list as an example: a, at, rat, part, prate, prates, pasture, raptures, apertures, departures. Variations on word progression include eliminating one letter from a word and still having a valid word left (i.e., swarm, warm, arm) or eliminating the last letter of a word to produce another word (i.e., pale, pal, pa).

In his chapter on word square patterns, Paton starts us with two and three letter word squares, and progresses up through six letter squares. A word square consists of a series of words that read the same across as they do down. For example:

A	G	O	S	P	R	Y
G	A	D	P	L	E	A
O	D	D	R	E	A	R
			Y	A	R	N

To help those of us who would like to work with word squares, but don't want to start from scratch, Paton includes in this chapter lists of words that lend themselves to squaring. At the end of his chapter on word squares, he includes a cross word puzzle of his own devising.

Another chapter of the book describes decomposition, word games played by seeing how many words can be made from a given word. In the introduction to the chapter, Paton says, "I remember when a major company making packaged cereals offered a big cash



Professor Paton and Professor Wilbur K. Pierpont enjoy a joke. Now nearing age 95, Paton says he is bothered by failing eyesight and other limitations, but he still shows up a couple of days a week in his office in the William A. Paton Center for Accounting Education and Research.

prize for the most words to be found in YIO Grapenuts. (Why the three extra letters were added to the nine letters of the name of a particular brand of breakfast food one could only conjecture.) Several lesser money awards were also provided for. Somehow I let my enthusiasm for words trap me into entering the contest, and I spent many hours with an unabridged Webster compiling a list from the twelve letters available. With nearly half of the alphabet to work with there were of course many thousands of component words.

The sheets containing my completed list, as I recall it, made up a package of such bulk that I decided to ship it by express. Although I watched the papers carefully for months I never saw an announcement of winners, and I never received a penny for my efforts. If anyone compiled a longer list than I did he must have had a bigger dictionary than mine. Never since have I let myself be beguiled into such a time-consuming venture."

A few of the words listed in the chapter include *compendium*, from

which 38 words have been extracted; *corporation* (50 words) and *handsomely* (70 words).

The book continues through a chapter on sayings, one on classification and association, and another on assorted puzzles, games and rhymes. Here Paton treats us to some of the results of what he calls an attack of limerickitis that afflicted him some years ago. ("All honest pursuits I've forsaken / And to limerick writing I've taken. / But sad to narrate, / Working early and late, / I have thus far not brought home the bacon.")

For all who have loved William A. Paton, or who have benefited from his life's work, and for those who love words, this delightful and very personal volume will be a treasure. As a special bonus for *Dividend* readers, Paton has promised to autograph all copies ordered with the special *Dividend* coupon printed above.

Answers: DESPAIR, DIAPERS, ASPIRED, PRAISED.

Answers to *The Mason's Confession*: I, it, pit, trip, strip, priest, riposte, pointers, interpose, interposed.

Among Ourselves

An informal collection of items, including news of the faculty, of alumni, and of the school, and assorted other information, opinion or comment that we think will interest you.

Three New Joint Degree Programs Approved

Three new joint degree programs have been approved, bringing to eight the number of joint MBA programs that are possible at The University of Michigan. New joint degrees are: business administration and hospital administration; business administration and social work; and business administration and Near Eastern and North African Studies. Each program is arranged so that all requirements for both degrees can be completed in three years of enrollment.

Students interested in any of the joint programs must apply to and be admitted by both schools, using their respective application forms and indicating that application is being made to the joint program. The combined degree programs are not open to any students who already have the MBA, the MSW, the MHSA, or the MA in Modern Near Eastern and North African Studies. However, first year students in any of the programs may apply for a joint degree program.

These three new joint degree programs add to the growing interaction between the Business School and other centers of excellence on this campus. Already existing joint degree programs are: business administration and law; business administration and music; business administration and Asian studies; business administration and public studies; and business administration and architecture.

More information on any of these programs may be obtained from the Business School's Office of Admissions and Student Services.



Professor Spivey

W. A. Spivey Receives Outstanding Teacher Award

"Professor Spivey is one of those very rare professionals who rates among the top 1% on the research side of business statistics as well as being perhaps the most lucid, entertaining, and effective teacher of a seemingly cut and dried, dull subject," wrote one student in nominating W. A. Spivey, Clare E. Griffin Distinguished Professor of Business Administration and Professor of Statistics, for the third annual Teaching Excellence Award. Professor Spivey received the award at the Business School Recognition Exercises April 28 at Crisler Arena.

Over and over, students nominating Spivey talked about the care he shows for students, and his wonderful sense of timing in class. "His ability to sense when the class is fading in their attention and bring them back to reality with a witty remark or story is terrific,"

said one student, adding, "Most of all though, his class was so enjoyable I really learned statistics." "He is concerned with each individual student," said another, "and will actively seek out a student whose performance is slipping." Other comments included Spivey's willingness to field any and all questions raised during class, his beautifully organized lectures, his ability to go beyond statistics to explain its applications and limitations. "I hated to miss a class," said one student. "An incredible person and professor. Period," said another.

Professor Spivey received his A.B., M.A., and Ph.D. degrees from the University of North Carolina before coming to the Business School in 1956. He has taught at Kyoto and Doshisha Universities in Japan, The London School of Economics and Harvard University. In addition, he has served as associate vice president for academic affairs at The University of Michigan, has published numerous articles in major business journals and holds offices in several professional associations.

Selection of the 1984 Teaching Excellence Award, based on student nominations, students' comments and course evaluation scores, was made by a four member Teaching Evaluation Committee. Nominees must have been teaching at the University for five years. Spivey's name will join those of previous award recipients, C. K. Prahalad, professor of policy and control (1983) and George D. Cameron III, professor of business law (1982), on the Teaching Excellence Plaque located in the Office of Admissions and Student Services at the Business School.

Anneke de Bruyn Overseth Promoted to Assistant Dean

Anneke de Bruyn Overseth, director of development and external relations at the Business School, has been named assistant dean for development and external relations at the School.

Her new appointment, effective May 1, was approved by the U-M Regents at their April 19-20 meeting.

"This appointment results from a reorganization in the School's Dean's Office due to Associate Dean William G. Holler's desire to return to full-time teaching and research," Dean Gilbert R. Whitaker, Jr. said. "Instead of replacing him directly, we have reassigned his duties to a number of different individuals including Anneke Overseth.

"As assistant dean, she will oversee the development, alumni relations, Alumni Fund, Corporate Associates, publications, and placement activities of the School. Additionally, she will serve with the associate deans as a member of the Administrative Committee of the School."

Overseth joined the U-M staff in 1971 and has served in such capacities as director of the capital campaign for the Power Center, manager of the Cultural Development Program, and assistant director of development and executive secretary to the Presidents Club. In 1979, she was named director of development at the School of Business Administration and was promoted to director of development and external relations.

In addition to her professional activities, she has been active with many local organizations. She has served as chairman of the Special Events Committee for St. Joseph Mercy Hospital, as a member of the board of directors for Poetry Ann Arbor and the Washtenaw County League for Planned Parenthood, and as a member of the Citizen Advisory Committee to the Washtenaw County Juvenile Court. She received a B.A. degree from the University of Chicago, followed by graduate studies at Brown University.

IBROM & Michigan Dept. of Commerce Take a Look at Credit to Small Business

A study examining credit flows from various sources to the small business sector of the economy, and the terms on which such credit is available, is being jointly sponsored by the Independent Business Research Office of Michigan (IBROM), a unit of the Business School, and the Michigan Department of Commerce.

The Michigan study is an addition to research currently under contract to the U.S. Small Business Administration. The national study is a pilot, intended to lay the foundation for annual data collections and to monitor the financing of small and new businesses across the United States.

Ann Thomas, assistant professor of business economics at the business school and faculty associate at the Institute for Social Research, and Muriel Converse and John Jackson of the Institute for Social Research, are directing both the national study and the Michigan supplement.

The Michigan research will use the questionnaire designed for the national study to obtain information from a sample of state firms in the metal working machinery and equipment classification; 95 percent of Michigan's auto suppliers are in this category.

The research will enable "some conclusions to be drawn regarding credit practices in Michigan as compared to the nation as a whole," the researchers say. It will also provide Michigan with two types of information: where and at what terms companies in this industry are obtaining funds, and what funding problems they have faced.

Based on information supplied by the Michigan Business Ombudsman's Office and a number of business associations, credit availability is a primary concern of many of Michigan's small businesses, the researchers note.

According to state Rep. Maxine Berman, who was instrumental in

obtaining funding for the Michigan study, "these issues are of direct policy relevance if Michigan is to encourage the development and growth of small businesses."

IBROM is a unit of the U-M School of Business Administration.

Three Accountants of the Year Named by Beta Alpha Psi Chapter

Three alumni of the Business School have been chosen as "Accountants of the Year" in industry, public accounting, and education respectively by the Ann Arbor chapter of Beta Alpha Psi Accounting Honorary. They are, John R. Edman, BBA '50, MBA '51, vice president of General Motors Corporation; Arthur M. Friedman, BBA '57, managing director of Arthur Andersen & Co.'s tax practice in the U.S. and Pacific Basin; and Sidney Davidson, MBA '41, Ph.D. '50, Arthur Young Professor of Accounting at the University of Chicago. The Outstanding Alumni Awards were presented at Beta Alpha Psi's spring banquet.

Edman, who joined GM in 1951, has served in a variety of divisional and corporate positions, including the comptrollerships of Packard Electric, GM of Canada, and AC Spark Plug divisions. In 1974 he became assistant comptroller of GM's corporate financial staff and in 1975 was elected treasurer of the Corporation, a post he held until he received his current Vice-President appointment in 1978. Edman is president of the Financial Executives Research Foundation and a member of the national board of directors and executive committee of the Financial Executives Institute. From 1978 to 1982, he was an active member of the Financial Accounting Standards Advisory Committee. He presently serves as the General Chairman of the Steering Committee and Chairman of the Executive Committee for the Business School's Capital Campaign. He is a member of the University's President's Club

and serves as the Southeastern Michigan Area Co-chairman of the Campaign for Michigan (a capital campaign for the entire University).

Friedman joined Arthur Andersen in 1957 as an audit staff person in Chicago, Illinois. He worked in the Chicago tax practice from 1959 until he became a partner in 1968. Since becoming a partner, he has served as Arthur Andersen's partner in charge of the Cleveland and Los Angeles tax divisions, until he assumed his present position in 1980. As a managing director, Friedman has overall responsibility for quality control and practice direction for the U.S. Arthur Andersen & Co. offices west of the Mississippi River (plus Detroit, Milwaukee, Minneapolis, and Tennessee offices and the tax divisions in the Pacific Basin). Friedman's areas of specialization include corporate reorganizations and the banking industry. He is a member of Arthur Andersen's Board of Partners.

Friedman has been active in the American Institute of Certified Public Accountants for more than a decade and is presently a member of their Federal Tax Division, Chairman of the Tax Policy Subcommittee, and a member of the Executive Committee. From 1978 to 1980, he was an instructor for the joint University of Michigan/AICPA Tax Program. As a part of this program, he has taught corporate reorganizations to more than 400 CPAs from around the country. He is a member of the University President's Club and the Alumni Club of Chicago and Cleveland. He has supported the William A. Paton Center for Education and Research, U of M's Accounting Department, and the Arthur Andersen Professorships. He also holds a J.D. from DePaul University Law School.

Davidson is the Arthur Young Professor of Accounting, Graduate School of Business, The University of Chicago. He has been on the faculty at Chicago since 1958, and has occupied the Arthur Young Chair since its establishment in 1962. Also in 1962, he helped

establish the Institute of Professional Accounting at the school, and was its director until mid-1969 when he became dean of the school. He served as dean until June 1974. During the 1974-75 academic year he was on leave as a Fellow of the Center for Advanced Study in the Behavioral Sciences. He lectured at several universities in 1979-80 as the Beta Gamma Sigma Distinguished Scholar. He is the author or editor of fourteen books and a large number of articles and reviews in journals on accounting, economics, and finance. Davidson is a member of the Phi Beta Kappa and Beta Gamma Sigma honorary societies, and is listed in *Who's Who in America* and several other distinguished directories. He serves as a member of the Board of Directors of four Fortune 500 corporations and three other corporations; he is chairman of the audit committee of six of those corporations.

Seminar in Project Management Offered by Executive Education

A program designed to improve both the technical controls and people management skills of project managers is scheduled for Sept. 5-7; November 26-28 and March 20-22 by Management Education.

This program will benefit business and government managers and staff members who have recently been made project managers or assigned to project teams, as well as finance, production, marketing, data processing, or accounting personnel who need to understand how to effectively participate in or manage a project.

Through case studies, lectures, and hands-on use of microcomputer project management software, participants will gain exposure to the range of issues, tools, and techniques found in today's project environments.

The important human element and organizational dimensions of project management are examined through discussions and exercises of effective teamwork, communication, time-use management, proper delegation, and control.

Fifth Growth Capital Symposium Presented

Growth Capital 1984, the fifth annual symposium on investment and financing opportunities, took place in April under the joint sponsorship of the Business School and the Industrial Development Division of the U-M Institute of Science and Technology in cooperation with the Michigan Venture Capital Forum, the Michigan Growth Capital Foundation, and the U-M Extension Service.

Sessions featured presentations by entrepreneurs who have successfully developed growth companies, and commentaries on market conditions. Symposium director David J. Brophy, associate professor of finance at the Business School, notes that the event has become a focal point for those interested in investment in emerging growth companies.

"In 1980 and 1981," he recalls, "we were able to present first four and then 10 good young companies. In 1982 and 1983 we presented 18 each year. Of the 50 companies which have made Growth Capital Symposium presentations, 35 have raised nearly \$70 million through venture capital firms, individual and institutional investment, and public stock issues. Investors from Michigan and other parts of the country view this event as a window on what is happening in the emerging growth company market here in the Midwest generally."

The April program presented 22 emerging growth companies. All but two were Michigan-based and most were technology-oriented. The firms ranged from start-up stage to those seeking second-round financing, and several which were considering public stock issues.

Murray Weidenbaum Outlines Report Card on Reaganomics as 17th McInally Speaker

"If there is any lesson from the past three years, it's the necessity for hard choices," said Murray L. Weidenbaum, the first chairman of President Reagan's Council of Economic Advisers on March 8 when he delivered the 17th annual McInally lecture at the Business School. "Unfortunately, the panacea approach is alive and well in our nation's capital," he continued, "but there are no panacea's — only hard choices."

Weidenbaum, who is now director of the Center for the Study of American Business at Washington University, St. Louis, went on to give grades to Reaganomics for various aspects of the program. He graded on four factors: tax cuts, to which he gave a grade of B, saying that although taxes were cut, "Christmas tree" provisions in Congress increased tax revenue loss substantially; spending, to which he gave a grade of D, saying that revenues were overestimated and expenditures underestimated, adding that the San Andreas fault of Reaganomics is the failure to control spending; regulation reform, to which he gave a grade of C, saying that government intervention slowed on the regulation side, but increased in protectionism; and monetary restraint, to which he gave a grade of B-, saying that the Fed brought down inflation, but that we're back to a stop and go economic policy. These grades added together produced an average of C+ at the midterm, a grade Weidenbaum called "disappointing but respectable."

After his address, Weidenbaum fielded questions from the floor as follows:

- Q. *Let's assume that Murray Weidenbaum is running for President in 1984. What would be the two or three more important facets of your economic program?*
- A. Let me leave one idea here. The great expansion of military capability does perhaps generate



Murray Weidenbaum

and increase demand and willingness for its use. There's a feedback effect there that worries me and gives me the incentive to tackle the military budget. I think that the real unfinished business of the federal government, of Reaganomics, is the budget — the fiscal policy. Why do I focus on the military budget? Because, when dealing with various interest groups, it's clear to me that you're not going to get support for cutting the other parts of the budget as long as they feel, with good justification, that defense is getting a free ride. And I have to report that the man in the oval office has vetoed every package of budget restraint that's been presented to him either by the Republicans in Congress, or by his own staff because it invariably contained some shaving of the speed of the military buildup. Now I don't want to pick on the military because I happen to believe

that we need a strong defense establishment in the dangerous world we live in, but I think it's critical that we harness the military budget — that would be Step Number 1.

We need a comprehensive program of budget restraint and I would extend that to the entitlements. Social Security is a moral commitment, whether or not the people on the rolls really earned or paid for those entitlements. You can just shave the cost of living adjustments a bit and I would do that. But in considering people not yet on the rolls, I think we need to recognize the large welfare component in Social Security. It makes no sense whatever for people to generate the right to get welfare at the expense of the next generation. Every department agency, including business and foreign subsidies, needs to be restrained. Last fall, the Senate public works committee reported out billions of dollars of new public works projects, with the most marginal ratios of benefits to cost. A BC ratio of 1.0 is required to meet the law. When the Treasury is paying 12% for its long-term money, those public works projects are being justified with a discount rate of 7-7/8ths. That tells you that those projects with BC ratios of 1.2 or 1.0 when recalculated — not at 12%, but at 10% — would flunk the benefit cost test. There's a billion dollars right there. That's just the most dramatic example of the softness of every department and agency budget. If I were elected I wouldn't have to worry about reelection and I would focus on that. You know the watch word: that old budget office motto I love to quote, "Good budgeting is the uniform distribution of dissatisfaction."

- Q. *How would you grade Reaganomics as a way to balance the budget?*
- A. Well, I guess I gave a B and a D to fiscal policy. That averages out to a C. That's not good enough for a high-powered program like the Business

School at The University of Michigan, is it? It isn't at Washington University.

Q. *How do you account for the fact that Alice Rivlin — formerly chairman of the capital budget office — correctly, or almost correctly, predicted what the budget deficit would be last year? Was she being pessimistic, or was she realistic about the economic situation?*

A. Realistic, of course. Alice is a fine economist.

Q. *Are there any fundamental constitutional changes that you think could be made that would alleviate the spending problems of the government?*

A. Not really. It may surprise you but I'm not an advocate of a balanced budget amendment. It bothers me that many people who are unwilling to tackle the tough budget problems of 1982, 1983, and 1984 are very willing to have the people who'll be in charge in 1988, 1989, and 1990 face those problems. If you really believe in a balanced budget, you'd take action to start on that road today, you don't have to wait until 1987, 1988. But there's another reason. This may sound like a wise-guy, betraying my early background, but I wouldn't mind passing the amendment; it would increase my net worth very substantially. I'm almost serious; I would take a leave of absence and go into a Washington consulting office dealing with one item: how do you get around it? I grew up in the old budget bureau — that's my technical field. In 10 minutes I once came up with more than a dozen ways of getting around the constitutional amendment to balance the budget. Let me give you just one example. You want to set up a multi-billion dollar national health insurance system? I have a way you can do it without a nickel of government money. You don't have to pass a law, which is what most recommend, that every employer has to send money into the Treasury and the Treasury then gives it to the

health insurance program. Just require every employer to take out a private policy to provide every employee with full health insurance benefits. It wouldn't cost the government a nickel, but would cost the American economy every bit as much. That's the kind of game playing you encourage with the constitutional amendment. The problem isn't 1987 or 1988, it's here in this year, divisible by 4. I know it's fashionable to say you can't expect either the President or the Congress to take tough action because it's an election year. I notice they haven't taken leaves of absence for the campaign and I guess I'm idealistic enough to say they owe making those tough decisions to the taxpayer who continues to give them their paycheck. I don't think a constitutional gimmick is the answer. I think if you really want to get a message across, throw out of office every officeholder who runs for election this year who says he or she doesn't want to face up to the budget because it's an election year. You do that and you won't need a constitutional amendment.

Q. *One of the issues today is tax reform. I'd like to know what you think the chances are of some type of tax reform, with a more equitable spread of taxes and where certain industries like defense contractors won't be allowed to defer their taxes continually from year to year. Do you think there is any possibility of this?*

A. Very little. Without going into the technical details, let me say that part of the problem in the defense area is that one standard element of defense costs — interest on borrowing — is not an allowable charge on defense contracts. Because of that provision of the armed services procurement regulation, we have the tax allowance you're referring to. You have to look at the whole thing as a package, so to speak. We're not going to get the \$50 billion reduction in the deficit by closing loopholes, although it's always useful to

clean them up. Nevertheless, the fact remains that if you close loopholes, you're reducing the deficit by increasing revenues. Given my philosophy, which is consistent with the fundamentals of Reaganomics — I'm a real Reaganaut when you push me hard, I'm even for the 5% real increase for defense that he campaigned on, although he's over 10% now — but if you really want to reduce the role of power of government in this economy, you don't do it by increasing revenues, you do it by cutting spending. In Washington, this is known as the hook.

Weidenbaum, who holds the Mallinckrodt Distinguished University Professorship at Washington University, is well known for his work on government regulation of business. His publications include "Business, Government, and the Public," "The Future of Business Regulation," "The Economics of Peacetime Defense" and "The Modern Public Sector."

He has held a variety of business, government and academic positions. He was chairman of the Council of Economic Advisers from January 1981 to August 1982, and served as Assistant Secretary of the Treasury for Economic Policy during 1969-71. He joined Washington University in 1964 and chaired the economics department in 1966-69. Previously he was a fiscal economist in the U.S. Bureau of the Budget and an economist with the Boeing Co.

Weidenbaum is a 1948 graduate of the City College of New York. He received an M.A. degree at Columbia University in 1949 and a Ph.D. degree in economics at Princeton University in 1958. He received honorary degrees from Baruch College and the University of Evansville, a distinguished achievement citation from his alma mater, several writing awards and induction into the Free Market Hall of Fame.

The McNally Lecture is named in memory of former U-M Regent William K. McNally.

Campaign Reaches \$14.5 Million

As the Capital Campaign of the Business School neared the \$15 million goal, members of the School's Visiting Committee and Development Advisory Board held meetings on the same day. After lunch, the two boards, student leaders and members of the Student Development Advisory Board, donned hard hats and toured the Kresge Business Administration Library and the Computer/Executive Education buildings which are now close enough to completion so that you can get an idea of the layout of the buildings.

At a morning meeting, the Development Advisory Board discussed plans for completion of the Campaign. "There's no question that the success of this Campaign would not have been possible without the intense involvement of our volunteers, as exemplified by the members of the Development Advisory Board," said Dean Gilbert R. Whitaker, Jr. He stressed that the DAB has been very much a working board which has identified prospects, made personal calls, and been involved in the successful completion of many proposals.

"It is undoubtedly due to the efforts of this Board and to the other dedicated volunteers in the business community that we have such a high level of corporation and foundation support for this campaign," said Assistant Dean Anne de Bruyn Overseth, director of development and external relations. More than 11,225,000 dollars, or 86 percent of the total amount raised, has come from corporations and foundations.

Corporations and foundations giving amounts ranging between



Putting on their hard hats before taking a tour of the buildings under construction are (left) Oscar Lundin, vice chairman (retired) of General Motors and W. Bruce Thomas, vice chairman-administration and CFO of U.S. Steel Corporation. Lundin is a member of the Development Advisory Board and Thomas is a Visiting Committee member.

\$50,000 and \$2,500,000 are a distinguished list, including Bendix/Allied, Blue Cross and Blue Shield of Michigan, Bormans Incorporated, Bundy Foundation, Burroughs Corporation, Chase Manhattan Bank, Chelsea Milling, Chrysler Corporation, Comerica, Inc., Consumers Power, D'Arcy MacManus & Masius, Deloitte Haskins & Sells, Detroit Edison, Ex-Cell-O Corporation, Federal Mogul, Ford Motor Company Fund, Foremost Corp. of America, General Foods Fund, Inc., General Motors Foundation, Herrick Foundation, Hoover Universal, ITT Corporation, Kellogg Company, Kelly Services.

Others are: Kmart Corporation, The Kresge Foundation, Lamb Technicon Corporation, Manufacturers National Bank of Detroit, McGregor Fund, Meijer, Inc., Michigan Bell, Mobil, Monroe-Brown Foundation, National Bank of Detroit, Owens-Illinois, Inc., Reliance Electric Company, Rockwell International, Sheller-Globe, The Skillman Foundation, Steelcase, The Stroh Brewery Co., The Towley Foundation, Trans-Industries, The Upjohn Company, Warner-Lambert, Whirlpool Foundation, The Whiting Foundation.

Below, Visiting Committee member Thomas S. Monaghan, president and chairman of the board of Domino's Pizza. Below right, Norman E. Auerbach, retired chairman of Coopers & Lybrand, admires a piece of the floor tile to be used in the new buildings. In the background, left to right, are Frank M. Hennessey, president and COO of Handleman Company; John A. Hooper, vice chairman of the Chase Manhattan Bank; Roger T. Fridholm, president of the Stroh Brewery Company; Jerome Jacobson, president, Economic Studies, Inc. and former vice chairman of strategic planning, Burroughs Corporation, and Joseph G. Conway, vice chairman, National Bank of Detroit. All except Conway are Visiting Committee members. Conway is a member of the DAB.



Left, Visiting Committee members (from left) Frank M. Hennessey, president and COO of Handleman Company; Jerome Jacobson, president, Economic Studies, Inc. and former vice chairman of strategic planning, Burroughs Corporation; Vincent R. McLean, executive vice president and chief financial officer of Sperry Corporation; and Development Advisory Board member Joseph G. Conway, vice chairman, National Bank of Detroit. (Photos by Dean Russell.)

"The fact that the Business School is receiving so much support from the business community is also a reflection on how our graduates are valued in the corporate world," commented Jack Edman, vice president of General Motors and chairman of the Capital Campaign Steering Committee, in announcing the list of corporate and foundation major gifts.

Meanwhile, the buildings continued to progress. The wall of the current library was "punched through" to connect it with the new, glass enclosed corridor that will make it possible to walk from the existing Business Administration

complex of buildings into the new part without going outside. And it's possible now when going through the buildings, even though dust and debris and construction work are all around you, to get an idea of the spaciousness and natural light that will make the new buildings so inviting at the same time that they will be so useful for enhancing the programs of the School.

At the last meeting of the Development Advisory Board for the academic year, certificates of appreciation were given to the members who are leaving the Board after terms of four years. They are: James F. Bourquin, management

consultant; Louis B. Cushman, chairman of the board of Cushman Realty Corporation, Houston, Texas; David K. Easlick, Sr., chairman of the Board of Michigan Bell; Donald R. Mandich, chairman of Comerica Incorporated; Don T. McKone, chairman and CEO of Libby-Owens-Ford; Richard L. Measelle, managing partner of Arthur Andersen & Co., Detroit; John C. Morley, president and CEO of Reliance Electric Co., Cleveland; Goff Smith, retired chairman of Amsted Industries, Chicago; and W. Paul Tippett, Jr., chairman and CEO, American Motors Corporation.

Class Notes

'37 HOWARD PARSONS, MBA '37, having spent the winter in Brownsville, Texas, writes, "The past winter was the worst in recent history as far as weather was concerned. The big freeze, starting on December 15th, completely ruined the citrus crop for this year and for several years to come. The other agricultural products were laid low, but by recultivating and seeding, a new crop will be ready by May. The disastrous thing about it all is the total effect it had on the labor force. There are thousands of farm workers without work and with no funds. It was the depression all over again. The value of the Peso continues to drop. Last year it was 140 to the dollar. Today it is 170. A good lunch for two with a highball will run, with tip, \$14.00. In pesos that would be \$2,380. It takes me back to the study of the German inflation following the war in 1919." March 1 ended the winter for Howard in Brownsville, and he is now in Muskegon, Mich. for the summer.

Missing Alumni

We have no addresses for the following alumni (both BBA and MBA degree holders) who graduated in the 1930s, and would appreciate your help in locating them.

1930: Russell A. Pratt, Ben Everett Singer, George H. Tidswell, Alexander E. Toth

1931: Thomas Bell Aldrich, Jr., James Donald Watson

1932: Willard H. Zentgrebe

1933: Herschel E. Austin, Mrs. Everett K. Seymour

1934: Henry R. E. Black, Hsieh-Heng Pien, Charles K. Rhed, Morris Schwartz

1935: James Caleb Hills, Edward W. McCormick

1936: Mrs. Robert D. Ross, William Ming-Lu Yin

1937: Jackson B. Holden, Russell E. Laitala, Pei Liang Lee, Roy Lyon, Arthur W. Ralston, John G. Steele, Jr., Nathan Steinberg, Walter P. Sullivan, Elmo Lee Vincent, Winfred P. Wilson, Shih Chiao Yu

1938: Milton F. Garrison, Kenneth K. Kilgore, Alex MacRae, Gordon W. Roeglin, Spencer J. W. Wilkie, William S. Wittan

1939: Donald G. Bronson, Matthew Wren MacLean, Richard W. Mayer, Donald R. Murdock, Mitchell Raskin

'42 FR. JOE OTTE, MBA '42, the first Catholic priest to receive an MBA at the Business School writes, "To change one's life style of many decades is most difficult, I have learned. This process was started for me last February. Our Provincial became concerned about my health and the continuation of the intensity of my activities. After prayerful thought and consideration, he and the provincial council declared that I close St. Mark's House of Prayer and move to a private residence in Santa Rosa, California. My friends have been most considerate in respecting my need at this time for privacy and in continuing their prayers for me. My beloved professor Bill Paton and I still exchange letters," he concludes.

Missing Alumni

We have no addresses for the following alumni (both BBA and MBA degree holders) who

graduated in the 1940s, and would appreciate your help in locating them.

1940: Charles W. Barkdull, John Whipple Hart, Donald T. Hartley, Benjamin Leopold, Melvin C. Lubar, Ernest G. Monroe, Donald H. Runck, Samuel Wilner, William Buchan Wood

1941: Walter J. Adams, Richard A. Babcock, Miles J. Doan, William B. Gough, Frank Fabian Henry, Robert F. May, Floyd Donald Skinner, Florent J. Verhulst, Jr.

1942: Edward P. Christensen, II, John Wesley Clarke, Paul W. Fellman, Robert E. Johnson, Thomas E. Peltier, John William Ross, Harry R. Slusser, Roy John Weber

1943: Miss Mary E. Hagan, Seymour Kalb, Dean John Miller, Richard B. Phillips, Andrew M. Skaug, John C. E. Wright

1944: Mrs. Flavio R. Coutinho, Sr., Selig H. Estroff, Mrs. Paul S. Landis, Miss Sylvia H. Rainer

1945: Dwight W. Hunt, Robert T. Skinner

1946: George A. Blais, Cecil Eugene Bundren, Forest C. Carter, Mrs. Morris Click, John Pryor Emmett, James V. Gallagher, Harold Leroy Gutzmer, Gerald Levy, Steve Thomas Machalk, Thomas David Merriman, Robert Keith Morrison, William H. Perham, Edmund B. Rickard, Henry Earl Schreider, Richard G. Trudeau, Edward T. Wojcik, Miss Anne C. Wolf, Frank Newell Worden

1947: Richard H. Bailin, Roy William Beckman, Bernard L. Blair, Emsar Bradford, Jr., Morton I. Breen, Mrs. John Francis Brown, John Francis Brown, Eugene Henry Bush, Philip L. Clifton, Leonard R. Crane, Mrs. F. Richard Crane, Robert E. Dale, John B. Dalton,

Llewelyn C. Daugherty, Gustavo Depedro-William, Robert M. Durling, Louis W. England, Julian E. Fein, Martin Feinberg, Thomas H. Fellows, Howard L. Fraley, S. Tracy Freeman, Robert D. Gardner, Edmond R. Goldstein, Mrs. Vernon R. Grady, Martin J. Horan, Edward J. Husemann, Richard A. Igo, Donald B. Jackson, Robert J. Mason, D. Paul McCloskey, Edward James McGraw, John Henry McKenzie, Edward H. McNulty, Kermit S. Midthun, Philip Edward Morin, James F. Mummey, Frank M. O'Brien, Jr., Raymond Jos O'Hare, Calvin Edgar Peterson, John Joseph Phelan, James A. Reeves, John Frank Rys, Frederick R. Sevin, John J. Sharemet, Russell L. Speirn, John E. Stamm, Robert F. Stephan, Charles P. Trafficante, Thomas M. Tressler, Frank J. Turk, Judd Gray Vear, William L. Warren, Warren Dean Watts, Harlow S. Williams, Robert C. Wooster, Paul H. Wright

1948: Frank Bartlett, Jr., Maurell L. Baxter, Sr., Donald E. Beall, John R. Bevis, Mrs. Roland Carl Bostrom, Ward M. Brown, Carl Alonzo Brownell, Jr., Andrew Bugosh, Howard W. Campbell, Robert E. Charters, Jean Stuart Cooper, Wayne R. Crozier, Charles John Cullum, Harry Lester Darling, Jr., James F. Donovan, James Robert Evans, James Robert Fleming, Donald R. Fletcher, Gerald Orla Ford, John Arthur Ford, William M. Fox, John Friel, Earl E. Garland, Vernon R. Grady, Bert Graham, James Brandt Griffith, Burdette S. Henry, Robert A. Hoffman, Seigi Imamura, Joseph Lee Johnson, Martin J. Kabcenell, Alan Stuart Kahn, Peter Savoio King, George A. Kohlbacher, Joseph Lippman, Charles M. Martin, Mrs. Richard A. Mayer, Richard C. Mitchell, Stephen R. Muntean, Frederick B. Peters, Mrs. Alvin Plotkin, Captain Richard W. Rauch, Arlie Denton Reagan, Jr., Irvine Robinson, Melvin L. Rutt, Jerome L. Schwartz, Leo N. Scull, Jr., Cecil Warren Sink, Donald Fey Small, Mrs. Elizabeth D. Smith, Richard K. Sullivan, Ralph Weldon Taylor, Robert C. Vannorstrand, Mrs. Morgan R. Walker, Daryl K.

Politics and the Budget is the Topic of a New Book by Howard E. Shuman, BBA '49

"After spending 27 years in the eye of the hurricane, I felt I had the right to make judgments," writes Howard E. Shuman, BBA '49, about his new book, *Politics and the Budget: The Struggle Between The President and The Congress*. "Those who pretend to be neutral and objective about subject matters as politically controversial as spending, taxes, debt, deficits and monetary policies are kidding themselves and their readers."

Presently a visiting senior lecturer in the political science department at the University of California, Santa Barbara, Howard was the top legislative aide to Senators Paul H. Douglas and William Proxmire between 1955-1982. He did their personal staff work for the Senate Finance, Appropriations and Banking Committees, the Congressional Joint Economic Committee and the Joint Study Committee which recommended the 1974 Budget Act. He has also served on the staff of the Joint Economic Committee and was the executive director of the National Commission on Urban Problems (The Douglas Commission). "With this first hand experience, I didn't recognize the descriptions of how politics and the budget worked which I found in many books on the subject," says Shuman. "Other books largely ignored the politics of taxes, such as loopholes, and treated the budget as dull and turgid. I see the budget as the number one political and priorities document of every administration. For instance, the 1974 Budget Act was designed by Congress to discipline itself and retrieve power from the President. It ended up, however, as an instrument by which the President enhanced his own power and disciplined the

Congress. Other books did not include an up-to-date or meaningful analysis and criticism of that '74 Budget Act."

The book, published by Prentice-Hall, Inc., in January 1984, encompasses current concerns, including the Reagan budget, the use of reconciliation and majority rule to pass the Reagan budget, and the constitutional crisis which provoked the 1974 Budget Act. His eyewitness accounts give a personal perspective on the clash of presidential and congressional priorities in the budgetary process. He illustrates this through historical budget development including the origins of money committees, the Book of Estimates, congressional and presidential budget commissions, the New Deal, counter-cyclical policy, stagflation, monetarism and supply-side economics.

Howard was sent to Ann Arbor in 1943 by the Navy, where he spent one year at the Business School. He then returned in 1949 to get the BBA degree. "I cherish the time I spent at Ann Arbor even though we took as many as 20 units a semester which was a very great burden," he writes. "Of course we were in the old building in 1943-44 but it was the quality of the teaching and not the building that mattered. In 1949 I took a course from Paul McCracken whom I later watched testify before the Joint Economic Committee on several dozen occasions."

In addition to Howard's work on the Senate, he has been involved with seven senatorial campaigns and three presidential campaigns. He has his B.S. and M.S. degrees from the University of Illinois and his B.Litt. and M.Litt. degrees from Oxford University, England.

Ward, Harry Quinby Wasson,
Captain Jerome C. Weiler, Daniel
A. Woodward

1949: Peter M. Behrendt, Ivo
George Binder, Harold A. Bissell,
John Robert Browning, Robert C.
Buckborough, James W. Burchard,
Laurence A. Burk, Lt. Jack L.
Carter, George B. Craw, Jose M. De
LaTorre, Byron L. Dougan, William
B. Dwyer, Edwin S. Eakin, Richard
L. Fox, Thomas A. Gelwich, Murray
Jules Grant, William W. Harden,
Clyde Acomb Harvey, George P.
Herman, John Robert Hoolsema,
Thomas S. Horton, Lt. Col. Ward
C. Howard, William R. Jack,
Alfred Lewis Jenkins, Jr., Martin L.
Litman, Herbert F. Lorenz, Robert
Marcus, Ted Margolis, Seymour
Marshak, Tyler F. May, John R.
McCormick, David James McElroy,
Frederick W. Means, Jr., Roderick
G. Messinger, Charles F. Morgan,
Charles A. Morgan, Jan H. Myran,
Jesse L. Nelson, Ernest A. Novak,
Victor H. Orn, Horace R. Rathbun,
Donald L. Rehberg, Stanley H.
Reitman, Clarence A. Rice, Marvin
Lloyd Robinson, Harold A. Roscoe,
William E. Russell, Mrs. Carl S.
Schade, Edward A. Schaefer,
John Z. Smith, John T. Staff, III,
John Ten Hoove, James Peter
Thompson, John M. Topper,
George Vaishvila, Robert L.
Vincent, Junior G. Wiley, John B.
Wood, Frederick R. Zimmermann

'54 JIM BOURG, MBA '54,
was recently promoted to
president, freeze dry division of
Right Away Foods Corporation
in McAllen, Texas. He previously
served as vice president — sales
and marketing.

'55 G. KNIGHT HOUGHTON,
BA '51, MBA '55, writes,
"I left Arthur Andersen and Co. in
1960 and served as controller of
Shedd-Bartush Foods Division of
Beatrice Foods Co. in Detroit for
eight years. I moved to the Chicago
area in 1968 as vice president
of Topco Associates, Inc., a
cooperative in Skokie, Illinois,
where I currently work. Topco
obtains private label merchandise,
produce and fresh meat for large

Paul Brentlinger, MBA '51, joins Venture Capital Firm as a Partner

Paul Brentlinger, MBA '51,
who, during 32 years with the
Harris Corporation, helped
to transform that company
from one involved in printing
equipment to one which is
now totally involved in electronic
information technology, has now
joined Mergenthaler Partners as
a partner. "The firm is adding
partners now to take advantage
of the nationwide proliferation
of new venture investment
opportunities," said David
Mergenthaler, the managing
partner, in announcing
Brentlinger's appointment to
the venture capital firm which
is based in Cleveland, Ohio.
Mergenthaler Partners currently
has about \$50 million under
management and 27 active
investments nationwide. It

specializes in early stage
investments in factory
automation, computer-aided
design, data processing,
telecommunications and
microbiology.

In 1983, as senior vice
president-finance, Paul managed
the divestiture of Harris' printing
equipment business, producing
approximately \$250 million in
cash from a leveraged buy-out
transaction. He then managed
completion of the merger into
Harris of Lanier Business
Products for \$280 million in
stock.

Paul, who is a member of the
Financial Executives Institute, is
chairman of the advisory board
for the William A. Paton
Scholarship Fund.

regional grocery chains. My wife,
Jenette (MA '58) and I live in
Winnetka, Illinois with our son
and daughter.

'56 STUART F. PLATT, MBA
'56, has been installed into
the newly created position of
Competition Advocate General of
the U.S. Navy. He is now the senior
official responsible for overseeing
all Navy acquisition programs to
increase competition in the
procurement of systems, equipment,
parts, and consumables. He writes
that in his previous position as
deputy commander, Naval Sea
Systems Command and director,
Contracts Division, he directed the
largest contracting operation in the
Federal Government. He lives in
Arlington, Virginia.

'57 J. D. MOONEY, BBA '54,
MBA '57, president of
Mission Inn Motel in Mission,
Kansas, is the chairman of the
board of the Greater Kansas City
Hotel Association and the Kansas
Lodging Association. He was also
awarded Hotel Man of the Year
for 1983. In addition, Mr. Mooney

sits on the small proprietor,
membership and budget council
committees of the American Hotel
and Motel Association.

'59 JOHN E. SCHIPPEL, BBA '56,
MBA '59, has been elected
to corporate secretary of Homart
Development Co. in Chicago,
Illinois. He will continue to serve as
vice president and general counsel
of Homart. Before joining Homart
in 1981, John was vice president
and general counsel of ABKO
Properties, Inc., a Detroit-based real
estate company. John is a member
of the American Bar Association,
Illinois State Bar Association,
National Association of Corporate
Real Estate Executives, International
Council of Shopping Centers, and
Phi Delta Phi legal fraternity.
Homart is in the shopping center
development industry with more
than 52 million square feet of
retail space nationwide.

'60 EDMUND J. WHITING, MBA
'60, has been elected a
director and vice chairman of the
board by the Ex-Cell-O Corp.,
Troy, Mich.

'61 JAMES K. AGNEW, BBA '61, has been named executive vice president of J. Walter Thompson/USA's western regional structure in Los Angeles, California. He oversees all operations of the Los Angeles and San Francisco offices, and is a member of JWT/USA's board of directors. Jim began his advertising career with JWT in 1962 in the New York and Paris offices, working on Kraft, Ford, Warner-Lambert and Lever Brothers accounts. In 1973, he joined McCann-Erickson/USA where he rose from executive vice president in the Los Angeles office to president and chief executive officer. Just before joining JWT/West, Jim was a partner responsible for marketing and strategic planning at Maguire Partners, a Los Angeles-based commercial real estate development company. Recently, Jim has been named to an advisory committee for the Los Angeles Olympic Organizing Committee for the 1984 Summer games. He is also a member of the Board of the American Association of Advertising Agencies and the Western States Advertising Agencies Association. While a student at the Business School, he was president of his class.

'63 WALTER L. BENNETT, JR., MBA '63, has been employed by Dow Chemical USA as a professional engineer for the past 28 years. He is presently the engineering projects superintendent in Midland, Michigan. From 1964-1969, Walter was at the John F. Kennedy Space Center under contract to NASA. The remainder of his time has been spent with Dow's Michigan division in Midland. Walter writes that he has been a member of People to People International since 1976, and is currently the chairman of the Michigan State Council. He is also a member of the International Board of Trustees of People to People International.

'64 EDWARD P. SCHADE, MBA '64, was recently elected corporate controller of The Singer

Stanford Named Professorship Goes to Joel Demski, MBA '63

Joel S. Demski, MBA '63, is the first person to be named to the new Joan E. Horngren Professorship in Accounting at Stanford University's Graduate School of Business.

Demski, who currently holds the Holden professorship at Stanford, is nationally known for his research on the economic analysis of accounting information systems, research which has helped provide the foundation for cost-benefit analysis of financial report, cost

measurement systems, budgetary systems, and alternative forms of regulation of the accounting field.

He has twice won the American Institute of Certified Public Accountants award for "outstanding contributions to accounting literature." He also won the American Accounting Association's competitive manuscript award in 1969.

Demski's Ph.D. is from the University of Chicago. He joined the Stanford faculty in 1960.

Company, a producer of aerospace electronic systems and consumer products. Edward joined Singer in 1983 as assistant controller. Before coming to Singer, he was assistant controller for Midland-Ross Corporation. Edward, his wife, and three children, live in Ridgefield, Connecticut.

'65 DAVID F. JOHANNIDES, MHA '65, is presently serving as vice president for administration at Methodist Evangelical Hospital in Louisville, Kentucky. Since 1979, David has been overseeing administrative duties for cardiology, clinical engineering, laboratory, maintenance, neurophysiology, pharmacy, physical therapy and respiratory care. He is responsible for quality assurance, the library and the systems engineering programs at the hospital. David is also one of the few Louisville residents who qualified for the Boston marathon this year. In 1983 he finished 386 out of 2400 runners in his age group. This year, he placed 489 out of 1700 runners, which also qualifies him for the 1985 running.

'66 As of November 1, 1983, associate professor HAROLD C. YOUNG, MBA '66, became head librarian at the University College of Arts, Science & Education in

Manama, State of Bahrain, in the Persian Gulf. His address is P.O. Box 1082, phone number: 682748 and his Telex: 9258 UCOBAH. He would be pleased to hear from any alumni in the area. Before accepting the head librarian job, Hal was a deputy director at the Salzburg Seminar in Salzburg, Austria. He spent several months a year interviewing prospective Fellows in Germany, Italy, Malta, Bulgaria, Rumania, Hungary, and Yugoslavia. The Youngs live at 313 Farndale Road, Hopkins, Minnesota 55343. Their son, Jeff, is a sophomore at Macalester College in St. Paul, and daughter Amy, is a freshman at Occidental College in Los Angeles. Hal's wife, Margaret, works for the Minneapolis branch office of Gale Research.

THOMAS P. HILL, MBA '66, has been promoted to president of Eagle Coach Work, Inc. of Lancaster, New York. Thomas joined Eagle Coach in 1982 as executive vice president and general manager. He had previously been general manager of Gulf States Paper Company of Tuscaloosa, Alabama. He now lives at 68 Georgian Lane, Williamsville, N.Y. 14221.

'67 JOHN C. MURRAY, BBA '67, J.D. '69, writes, "I recently took a new position as regional counsel for Real Estate Investments

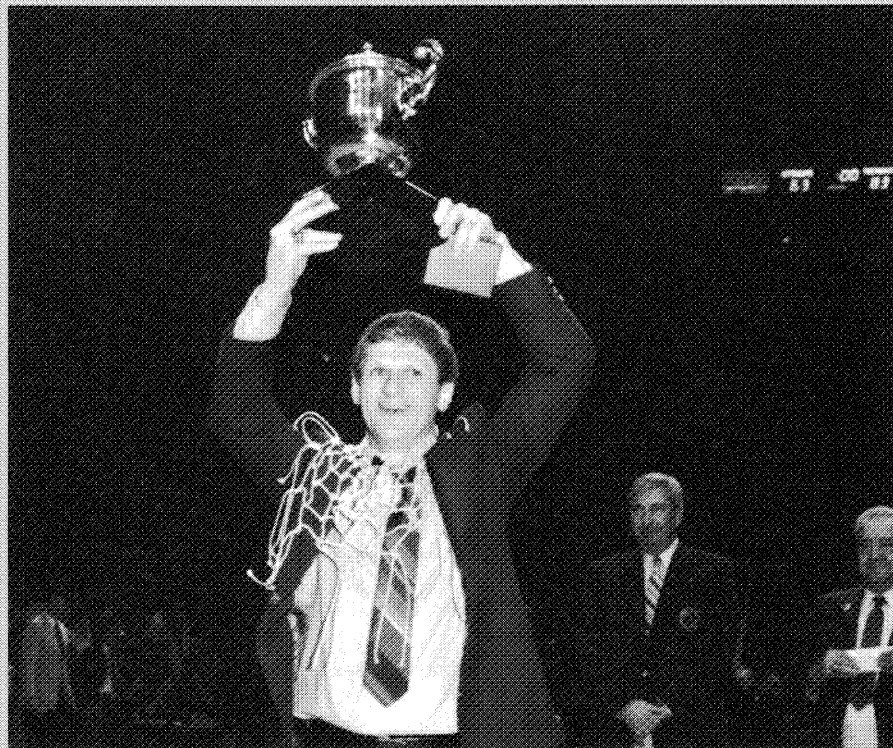
with the Travelers Insurance Company in Oak Brook, Illinois. I am responsible for the legal aspects of the Travelers urban and agricultural real estate investments in a 20 state area. I am a member of the Michigan and Illinois bars, and a member of the Section Council of the Section on Real Estate Law of the Illinois Bar Association." John also writes that he authored an article, "Garn-St. Germain and Due-on-Sale Clauses in Illinois — An Update," that was published in the October, 1983 edition of the Real Property Newsletter of the Illinois State Bar Association.

'68 DENNIS J. PARUCH, BBA '67, MBA '68, has been elected vice president, gas contracts administration of ANR Pipeline Company, a subsidiary of American Natural Resources Company. Dennis most recently served as vice president, finance, marketing and administration of ANR Storage Company, an affiliate of ANR Pipeline. Dennis joined ANR in 1972 as a staff assistant in the finance activity of Michigan Wisconsin Pipe Line Company. He has held several positions in ANR Pipeline's finance and corporate planning activities. In his new post, Dennis will be based in Houston, Texas.

ROYAL G. C. COLLETTE, MBA '68, recently retired as a captain in the United States Navy Supply Corps. He has formed his own consulting firm, Royal G. C. Collette & Associates, Inc., in the Washington, D.C. area.

ROBERT M. DUBBS, MBA '68, J.D. '68, has been named to the newly created position of general counsel of Universal Health Services, Inc. in King of Prussia, Pennsylvania. He was formerly chief counsel in the law department of Sun Company, a Radnor, Pennsylvania-based oil company. Universal Health Services, Inc., owns, operates and manages acute-care and psychiatric hospitals. Robert lives in Bala Cynwyd, Pennsylvania with his wife, Judy and two daughters.

Coach Bill Frieder, BBA '64, MBA '65, celebrates after his team wins the NIT



On March 28 at Madison Square Garden, the Wolverines won the National Invitational Tournament (NIT) against the Fighting Irish of Notre Dame. Michigan handed the Irish an 83-63 defeat, climaxing its most outstanding basketball season in the last seven years. The young, largely freshman and sophomore team, won 23 games while losing 10, providing Michigan fans with tremendous excitement all year long. Their play in the NIT finals was nearly flawless and, at times, awesome. It was a happy

group of Michigan players who hoisted Coach Frieder, BBA '64, MBA '65, to their shoulders as he jubilantly cut off the basketball net after the victory over Notre Dame, and the Michigan alumni who repeatedly sang the "Victors" in Madison Square Garden as they proudly watched the victorious Wolverines are very apt to have more to cheer about in the seasons to come. Bill Frieder, his coaching colleagues, and players have once again reminded us that at Michigan, excellence comes in many forms.

'69 STEPHEN D. GOLDMAN, MBA '69, has been appointed vice president of marketing for the Wornick Company, where he is responsible for product line extensions, new product development and business development for all divisions. Before joining Wornick, Stephen spent 13 years in marketing management with the Proctor and Gamble Company and the Clorox

Company. The Wornick Company is one of the largest producers of military rations and a manufacturer of freeze-dried foods through its subsidiary, Right Away Foods Corporation. Through other subsidiaries, it also produces calorie-controlled nutritionally balanced meals and retort packaged food products. Stephen lives in Orinda, California.

ROBERT F. GROSS, MBA '69, died in early April at his home in Elmhurst, Illinois after a long bout with leukemia. He is survived by his wife, Celia, his daughter, Deborah, his son, Jason, and his parents, Frank and Elizabeth Gross. Robert was vice president of the Northern Trust Bank in Chicago and a member of the First Congregational United Church of Christ in Elmhurst.

'72 MICHAEL SIMPSON, MBA '72, reports that he was promoted to vice president, sales, in September of 1983 for the Pryor Corporation in Chicago, Illinois. He was previously a New York sales manager for four years and a product manager for four years. He is presently living in Kildeer, Illinois with his wife, Maureen, and their son, Christopher.

MICHAEL O. MIZANIN, MBA '72, recently joined the Law Company, a general contractor in Wichita, Kansas as treasurer, and was elected to its board of directors. With his wife, Terry, and four sons, Michael will soon move to Wichita from Dolton, Illinois.

MICHAEL J. YOUNG, MBA '72, has been admitted to the partnership of Arthur Andersen & Co. He is based in Boston, Mass.

'73 CRAIG ROBELEN, MBA '73, writes, "After leaving U of M, I spent three years in Ann Arbor as financial controller of Mathews Phillips, a Pittsburgh-based development company (Traver Lakes, Roundtree Apts., Schooner Cove). I spent the next five years at Chemical Bank of New York, first in real estate loan workout and later as an AVP in real estate major project lending. From New York, I migrated to sunny Florida where I spent four and a half years with Awida Corporation as director of development and then director of sales of Boca West and other Boca Raton projects. During this time I met my wife, Lisa, to whom I've been married now three years, and we are expecting our first child. I am presently chief operating officer (executive vice president) of a \$25

mm per year building company, Stevenson Building and Design, which specializes in luxury homes averaging \$1,250,000 in price."

'74 PETER L. EDWARDS, BBA '74, J.D. '77, writes, "I am pleased to say that I've recently achieved a long-standing goal — setting up my solo law practice. I concentrate in the areas of business finance and technology ventures, particularly in start-up situations. My practice, after only three months, is far more active than I ever anticipated." Before starting his own practice, Peter was senior legal counsel to Jones Intercable, Inc., a cable television operator and manufacturer of computer, security and cable television equipment. He is currently serving his third term on its board of directors. He is also currently general counsel and director of Clonetics Corporation, the prospective developer of revolutionary skin cloning techniques. Following his graduation from UM's law school in 1977, Peter worked for the New York law firm of Dewey, Ballantine, Bushley, Palmer and Wood. He also worked for Coudert Brothers law firm, also in New York. Peter's law practice operates out of Denver, Colorado.

RONALD M. LEZELL, BBA '74, has been promoted to vice-president in the controller's department of the Wells Fargo Bank, San Francisco, Calif.

'75 DAVID A. SWIDER, BBA '75, joined the Dallas-based Hall Real Estate Group as vice president and director of Midwest acquisitions in March. He also holds the title of limited general partner. Before joining Hall Real Estate, David served as assistant treasurer for Guardian Industries Corporation in Northville, Michigan. He is also a certified public accountant. In 15 states, Hall Real Estate Group operates more than 35,000 apartment units and 1.7 million square feet of office space, with a total value of about \$1.5 billion.

GEORGE WILSON, MBA '75, BSME '70, is now vice president, filter

division, for Hycon Corporation in Bethlehem, Pennsylvania. He, his wife, Beverly, and their two children live in Macungie, Pennsylvania.

FRANK J. LONGO, MAS '75, has been named corporate vice president in the strategic planning department at New York Life Insurance Company in New York City. He is a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries. Frank and his wife Loretta live in Carle Place, New York with their sons, Stephen, age 2 and Thomas, born February 19, 1984.

'76 VALERIE MUDIE HUTCHINS, MBA '76, was recently promoted to president, MRE Division of Right Away Foods Corporation in McAllen, Texas. She previously served as vice president — finance and treasurer for Right Away.

TIMOTHY J. HOPKINS, BBA '74, MBA '76, has been named assistant vice-president, international banking, for Comerica Bank-Detroit.

'77 MARK F. THOMAS, MBA '77, has been named director of marketing for the Everett I. Brown Co., a high-tech architectural and engineering firm in Indianapolis, Ind.

'78 GARY RASMUSSEN, MBA '78, writes, "After five years in marketing with AT&T information systems and Mountain Bell, I have formed my own consulting firm, named Telecom Consulting Services doing system design and implementation, long distance analysis and voice/data networking. The field is challenging and exciting due to the dynamic nature of telecommunications. I'm getting married in September, and still participate in the same hobbies, namely, hockey (as both player and coach), softball, and racquetball. I've also served on the board for a volunteer agency dealing with troubled youths." He lives in Denver, Colo.

JOE DANCY, MBA '78, is an attorney with the firm of Andrews, Davis,

Legg, Bixler, Milsten and Murrah, Inc., in Oklahoma City. He concentrates in oil and gas litigation, mining and energy law.

"I am still working with Codex Corporation, part of Motorola's newly formed information systems group," writes ALBERT COOLEY, MBA '78. "I was promoted to head a new group responsible for planning and managing Codex's entry into the law end of the data communications market about six months ago. I am living in Cambridge, Massachusetts, and enjoying the benefits of Boston and the New England lifestyle."

'79 LAUREL (SMITH) HARRIS, MBA '79, writes that she joined Dearborn Federal Savings and Loan in November, 1983 as a staff accountant. "I divide my time between the accounting department and mortgages," she says. "Before joining Dearborn, I worked on the audit staff of Deloitte, Haskins & Sells until mid-September, 1983. I also married James H. Harris in September, 1983."

KNUT RAVNA, MBA '79, dropped by the *Dividend* office during a visit to Ann Arbor to see old friends and visit his favorite B School professor, C. K. Prahalad. Knut is now general manager of Sparebanken Vest in Bergen, Norway, where he is in charge of foreign operations, investment securities, special services, and the bank's strategy committee. He is one of the top three people in the bank, which has assets of \$750 million. He was in the U.S. to set up a joint representative office in New York for the bank. Knut worked for five years as a credit analyst in Norway before deciding to get an MBA which, he says, has proved very valuable for him. "It taught me a way to solve problems by looking at them from different angles and structuring them carefully. You have to become disciplined, because the work load is such that you can't possibly get through it without becoming disciplined. In a sense, it puts you in the same situation you are going to face on the job: you have to

Michigan MBA Alumni Dinner held in Hong Kong with Two Faculty Members

Ten Michigan Business School alumni who are living and working in Hong Kong, and former accounting professor George Bruha, who is now working for Arthur Andersen & Co. there, met for a festive dinner in April at a Hong Kong restaurant. The dinner was held to welcome Professors Gunter Dufey, international business, and Herbert Hildebrandt, business administration, who were both in Hong Kong on the same date, each pursuing different privately funded research projects.

Skillfully ordered and organized by Dawn Wong, MBA '82, who works for Continental

Bank, the dinner included sauteed shrimp with mango, stewed groupa belly, and ten other delicacies. Participants in the feast included Citicorp employees Roderick Leung, BBA '78, MBA '80; Terrence Lee, MBA '78; Ted Ling, MBA '74, and Eric Chan, MBA '78. Others present were Chung-Ping Cheng, MBA '81 of the Royal Bank of Canada; Mary Chung, BBA '75, MBA, '77, of BNP; Sheila Kan, MBA '78 of Esso Standard Oil (Hong Kong) Ltd; Douglas Van, MBA '79 of Exxon Chemical Asia Pacific Ltd.; and Frank P. K. Wong, MBA '79, of Mansion House.

think and act like a manager." After graduation with his MBA, Knut worked for Sparebanken Vest as a manager in commercial loans especially directed to small businesses, then moved to Den Norske Creditbank as a deputy branch manager before returning to Sparebanken Vest as general manager.

RMP Pizza, Inc. of Gulfport, Mississippi, has promoted GLENN MUELLER, MBA '79, to president. RMP Pizza, Inc., a growing franchise of the national pizza delivery chain Domino's Pizza, currently owns 73 units in three states. Glenn and his wife started the office in 1981 in their home in Long Beach when there were three stores in operation. During his three years as controller and chief financial officer, Glenn was instrumental in obtaining over \$4 million in bank loans, and helped build the office staff from two to 59, while stores grew from three to 73. He has also developed systems and people to manage store construction, operations, marketing, sponsorship, accounting and computer systems. Before joining RMP Pizza, Inc., Glenn worked for two years with Arthur Andersen & Company in California.

'80 EDWARD DRUMM, MBA '80, an industrial relations specialist for Procter and Gamble in Cincinnati, Ohio, has been working on P&G's new computerized personnel system, entitled "Facts About Human Resources (FAHR)." The system, presently in use in Cincinnati and 28 manufacturing locations, has been in the roll-out stage for two years. Ed's job has been to take the system to outlying plants and teach people to use it. In his approximately forty visits, he has been to Green Bay, New York City, Kansas City, Sherman, Texas, Dallas, Texas (where he visited William Shan, MBA '80), San Francisco, Sacramento, Modesto, Baltimore, Mehoopany, Pennsylvania, Cheboygan, Michigan, Boston, and Fort Worth. FAHR is meant to act as a uniform information center to collect and maintain employee data. The data is available to generate reports with speed, consistency and accuracy for corporate uses and government requirements. Ed is currently writing and rolling out a company-wide absence/overtime/vacation system.

HOWARD PRAGER, MBA '80, a senior training specialist for Allstate in

Chicago, writes, "For two years, I've served as a part-time instructor on the faculty of Roosevelt University's Walter E. Heller School of Business. This summer, I'm teaching a graduate organizational behavior course. It's nice to keep on top of the literature, to be challenged by working students and to try to keep topics and theories relevant. The experience is most stimulating. On the job, I'm getting involved with OD consulting, productivity improvement efforts and establishing a project management system. All in all, things have been active lately."

BEVERLY J. GRIFFITH, BBA '80, is a commercial banking officer at The Northern Trust Company, Chicago. She works in the western division of the U.S. Corporate Banking Group, handling all corporate banking in Washington, Oregon, Idaho and Montana. Beverly joined the bank in January, 1981 and was named an officer in May, 1983. A resident of Chicago, Beverly is a member of the University of Michigan Club of Chicago.

DAVID FERREIRA, MBA '80, writes that he and Penny Reitelbach (also of the U-M, graduate architecture '80) were married in April and will live in Cleveland, where he is a human resource manager at General Electric.

KOK-CHI TSIM, MBA '80, was appointed assistant vice president by National Bank of Detroit in its international division.

JEFFREY ROYCE BENJAMIN, MBA '80, is now working for the Los Angeles Olympic Organizing Committee. He was formerly an auditor for Arthur Young & Co. in Los Angeles, and was the senior staff auditor on the Olympic audit. He was then hired by the Olympic Organizing Committee to manage ticketing operations for pre-Olympic events, and is now working on the development of space, staffing, and operational plans for all 26 venues to be used during the 23rd Olympiad. He is also responsible for managing all press, athlete and VIP seating during the games.

James B. Whittaker, MBA '66, Ph.D. '75, Promoted to Commodore in the U.S. Navy

James B. Whittaker, MBA '66, Ph.D. '75, has been nominated by President Reagan for promotion to the rank of commodore, Supply Corps, U.S. Navy after 27 years of service. The commodore rank is the first of four Navy flag ranks and is equivalent to the rank of brigadier general in the Army. Much of Jim's naval career has been spent in defense contracting. He has had sea tours on the destroyer USS Compton and on the heavy cruiser USS St. Paul. From 1978 to 1980, he was the fleet logistics officer in Naples, Italy, where he was responsible for Mediterranean logistics management and policy. He then became executive officer of the Navy Ships Parts Control center in Mechanicsburg, Pa., and in 1982 became the commanding officer of the Navy Fleet Material Support office, also in Mechanicsburg, which is the Navy's primary logistics central design agent for automatic data processing and financial systems. Since 1983 he has been responsible for inventory policy and ADP hardware and software management at the Naval Supply Systems Command in Washington, D.C., where he is



deputy commander of inventory and information systems development. Jim's personal decorations include the Legion of Merit, the Meritorious Service Medal, the Navy Commendation Medal and the Navy Achievement Medal. He received his Ph.D. from the Business School in the field of policy and control. His dissertation topic was "Strategic Planning in a Rapidly Changing Environment: Energy Companies and the Energy Shortage."

'81 RUSSELL F. SURMANEK, MBA '81, was recently promoted to division finance manager for Racal-Milgo Government Systems, Inc., a wholly-owned subsidiary of Racal-Milgo which markets products to the federal government. He writes, "As chief financial manager of the subsidiary, I have responsibility for all finance and administrative activities, from accounting and finance to customer administration (order entry, billing, credit/collection, etc.) to contract administration. I report to the vice

president and general manager of the subsidiary with dotted-line accountability to the controller. I've been with Racal-Milgo for a little over a year, previously as senior financial analyst. My first two years after Michigan were spent as a senior financial analyst with Northern Telecom in Dallas and Minneapolis."

MARTIN SHENKMAN, MBA '81, began a job with the New York City law firm of Townsend, Rabinowitz, Pantaleoni and Valente, in May.

Please Tell Us About Yourself

We would like to include more news about alumni in *Dividend*, and hope you will help by providing us with information about yourself. We'd like to know where you are working, and other news about you, such as promotions, new business ventures, any business or academic honors, authorship of books or articles, or other information that would be of interest to alumni. If you would take the time to fill out the form below and send it to "Pringle Smith, Editor, *Dividend Magazine*, Graduate School of Business Administration, University of Michigan, Ann Arbor, Michigan 48109," we would very much appreciate it.

Name: _____ Degree(s) and Class Years: _____

Business Position: _____

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Please write below some personal or business news about yourself that we can share with other alumni.

He has also written a book entitled, *Real Estate Taxes: The Basics Planning for Depreciation and Investment Tax Credits*, available through the International Council of Shopping Centers, 665 Fifth Avenue, New York, NY 10022. He writes that he got married in June, 1983.

'82 Interform, the recently formed multidisciplinary product design firm located in Menlo Park, California, has selected DON R. TAYLOR, MBA '82, to serve as the firm's vice president of research and planning. In his new position, Don is responsible for facilitating assessment and planning with clients, as well as design project management. Before joining Interform, Don supervised the strategic planning group at General Motors Design staff, where he was responsible for recommending new products to top management. Interform president Peter E. Lowe said, "Don's expertise in the evaluation of new electronic product market potential adds depth to Interform's design approach." Previously, at Booz Allen and Hamilton, Don explored the feasibility and market potential of totally new electronic products for major manufacturers. He was the designer of a number of new products for Polaroid and John Deere while at Henry Dreyfuss Associates, and is the author of a guidebook of human factors recommendations for worldwide use by John Deere engineers. Working on a free lance basis, he designed the aerodynamic body work for A. J. Foyt's 1981 Indianapolis race car. Don holds undergraduate degrees in engineering and industrial design. He began his career as a mechanical engineer at Ford Motor Company.

Interform is an innovative multidisciplinary product design firm incorporated by six prominent industrial designers. The company's purpose is to help high technology management establish market position and credibility, extend product life cycles and increase profitability through effective product design that focuses on market needs.

Martha Seger, BBA '54, MBA '55, Ph.D. '71, is nominated by President Reagan to the Board of Governors of the Fed

Martha R. Seger, BBA '54, MBA '55, Ph.D. '71, former state banking commissioner, has been nominated by President Reagan to a seat on the Federal Reserve Board of Governors. The Fed, considered the nation's bank, is responsible for setting interest rates and monetary policy for the U.S.

In a formal ceremony among geraniums and petunias in the White House Rose Garden, Reagan assured the audience that the bandage on Seger's left arm did not indicate he had to twist it to win her acceptance of the post. (She broke the arm in a recent fall.)

Reagan said he was "delighted and honored" to name her to the \$68,400-a-year post. The nomination, for a 14-year term starting retroactively from Feb. 1, 1984, is subject to Senate confirmation.

Seger will, if confirmed by the Senate, succeed Nancy Hay Teeters, another former U-M student, the first woman named to the Fed Board of Governors in its 70-year history.

The Senate Banking Committee is expected to hold confirmation hearings "expeditiously," according to Sen. Donald Riegle, D-Mich., a member of the panel.

Seger served for two years as state banking commissioner, appointed by former Gov. William Milliken. In that post, she worked to do away with interest-rate ceilings.

She also has taught at Oakland University, the University of Windsor, and the University of Michigan.

With 10 years experience in commercial banking, Seger was vice president and chief economist for the Bank of the Commonwealth from 1974-76 and chief economist for the Detroit Bank & Trust from 1967-74. She is on the board of directors for Comerica, Inc.

She is a member of the program committee of the Economic Club of Detroit and a member of the National Association of Business Economists and the Women's Economic Club.



President Reagan with Martha Seger after he announced her nomination to the board of governors of the Fed. (AP/Wide World Photos)

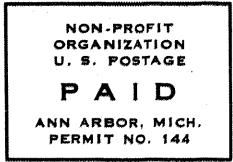
Seger is on the Economic Advisory Board for the U.S. Department of Commerce and

chairman of the Economic Advisory Council of the Republican Caucus of the Michigan Senate.

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Harold T. Shapiro (ex officio)**

A Quiet Mover and Shaker

Continued from page 23

running-mate, Walter Mondale, in his presidential campaign. But for Hill, this campaign has involved a complicated personal choice — that between Mondale and Jesse Jackson, an old friend and fellow champion of black causes.

“Jesse Jackson and I have known each other for 15 years,” says Hill. “I marched with him in Chicago and worked with him on the Poor People’s March. I have hosted a number of meetings for him here at Atlanta Life and I believe that

his candidacy has made important contributions, especially his trip to Syria, but I think now his candidacy is having a devisive effect upon black voters and has reached a point of diminishing returns. This has not been an easy decision for me.

“I think that the ‘fairness’ issue is a serious one in this administration,” continues Hill thoughtfully. “While I value the control of inflation, the insensitivity of the Reagan administration to the concerns of lower economic groups make his defeat of paramount importance. I think Mondale can defeat Reagan, but I know my

endorsement doesn’t sit well with Jackson. I hope we are still friends.”

What about the future? Specifically the future for other black presidential candidates? “I am not sure that America is ready for a black president in 1988,” says Hill, “but there are other important positions in government. For example, I would like to see a black governor of a state, a black U.S. senator, and/or a black secretary or undersecretary of state. I think 1988 or 1992 might be the right years for this.”

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