Agricultural Economics and Agribusiness

Agricultural Economics AGBS 2361-002

Fall, 2023

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936-468-3705
Room 121 Agriculture Building
Office Hours:
Department of Agriculture
Lecture: 9:00 to 9:50 MWF

Agricultural Economics – Consumer choice, production economics, agricultural markets and prices, and macroeconomic linkages.

PURPOSE OF COURSE:

(1) Develop an awareness of the scope and unique nature of agricultural economics as it relates to the types of business organizations we have in the industry. Obtain an overview of the macro-profile of the U.S. economy

(2) To become familiar with resource characteristics that flow into U.S. agriculture. Understand the basic tools and principles of economic analysis and how these tools can be used in management decision making.

(3) Learn to use concepts and principles of economic theory to explain the behavior of firms. Become familiar with U.S. agricultural policy and its impact on the agricultural sector.

Program Learning Outcomes

1. The student will demonstrate an intermediate level understanding of economic theory needed for success in the industries and other highly related careers. (Critical Thinking)
2. The student will demonstrate the ability to use analytical methods, (graphic and mathematical), as needed for business management and subject matter. (Quantitative Analysis)
3. The student will exhibit problem solving skills. (Problem Solving)
4. The student will demonstrate effective communication skills. (Communication)
5. The student will exhibit leadership and other interpersonal skills needed for career placement and advancement. (Social Responsibility)

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<tr>
<th>B.S. Agricultural Economics Learning Outcomes</th>
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<tr>
<td>Proficiency Levels</td>
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<td>Course AEC261</td>
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Student learning outcomes
Student learning outcomes are specified for AGBS 2361 in support of program outcomes. AGBS 2361 is expected to address program goals at the, “B” (basic) or the, “I” (intermediate) level as indicated above.


Course Requirements

1) Readings in the textbook as specified by the syllabus

2) TESTING: Quiz #1 Ch. 1 and 2 :Ag. Industry and Economics (Sept. 8)
Quiz #2 Ch. 3: Consumer behavior and Demand (Sept. 22)
Quiz#3 Ch. 4: Production Function (Oct. 6)
Quiz #4 Ch. 5: Input substitution/enterprise combinations (Oct. 20)
Quiz #5 Ch. 6: Cost Concepts and Supply (Nov. 3)
Quiz #6 Ch. 7 and 8: Competition and monopoly (Nov. 17)
Thanksgiving Holiday: Nov 18 thru Nov. 26
Exam #7 Final: December 13 at 8:00 am

NOTE
Each student has the right to skip the final exam. To keep possession of this right, one has to score higher than 80% on five (5) of the first six (6) quiz–exams.

WEEK #, Topic, Chapter reference
Introductions: August 28
I. Introduction to Agribusiness, Ch.1: Begin August 30 and Sept. 1

Objective: Learn that production and consumption decision problems can be addressed using economic theory.
A. Choice and Its Economic Meaning
B. Economics in Brief
C. Looking Ahead

II. The Farm and Food System, Ch.2. Begin Sept. 4 and Spt. 6
Module 2
Objective: Understand the economics of American agriculture, the dimensions of the industry, and its relation to the total U.S. economy.

A. Agriculture's Role in the U.S. Economy
B. The Business Structure of Agriculture
C. Economic Size Classes of Farms
D. Vertical Coordination in Agriculture
E. Types of Business Organizations
F. Farm Cooperatives
G. Farm Output
H. The Agribusiness Complex
I. Overview of our Economic System

Ch. 1&2 quiz Sept 8

III. Consumer Behavior and Demand, Ch.3. Begin Sept. 11
Module 3
Objective: To understand that the study of economics is the study of people’s behavior in the market. Economics is a social science.

A. The Utility Basis of Demand
B. Consumer Choice
C. The Concept of Elasticity

Ch. 3 quiz Sept. 22

IV. Producer Decision-Making: Single Variable Input Production Functions, Ch.4. Begin Sept 25
Module 4
Objective: Understand that producers face decision of what, how much, and how to produce a product.

A. Physical Relationships
B. Value Relationships
C. Summary

Ch. 4 quiz Oct. 6

V. Producer Decision-Making: 2 Variable Input Functions and Enterprise Selection, Ch.5. Module 5 Begin Oct. 9
Objective: Understand factor-factor and product-product relationships.

A. Two Variable Input Functions
B. Product-Product Relationships and Enterprise Combinations

Ch. 5 quiz Oct. 20

VI. Production Costs, Supply, and Price Determination, Ch.6.
Module 6 Begin Oct. 23

Objective: Develop an understanding of production costs derived from the physical production function.

A. Origin of Production Costs
B. Market Supply
C. Price Determination
D. Market disequilibrium

Ch. 6 quiz Nov. 3

VII. Competition and the Market, Ch7. Begin Nov. 6

Module 7

Objective: Understand that prices are signals to both consumers and producers in their decision making, and to recognize the distinguishing characteristics of markets and market structure.

A. The Function of Price
B. Market Classification
C. The Efficiency of Pure Competition

VIII. Imperfect Competition and Market Regulation, Ch.8. Begin Nov. 13

Module 7

Objective: Understand the behavior of firms under the structure of Pure Monopoly and Imperfect Competition.

A. Imperfect Competition and the Pure Competitive Standard
B. Efficiency Comparisons
C. Public Regulation
D. Agricultural Bargaining

Ch. 7&8 quiz Nov. 17 (opens online over break)

IX. Macroeconomics, Ch.9.

Other Modules if time Nov. 27

Objective: Understand that macroeconomic factors affect the Agricultural sector costs and returns particularly through the interest rate and exchange rate.

A. Macroeconomics
B. Net Income Accounts
C. Value of Goods and Services
D. Tools of Macroeconomics
E. Macroeconomic linkages to Agriculture

X. Agricultural Price and Income Policies, Ch.11.

Objective: Understand the importance of public policy in agricultural markets. Recognize the basis for policy programs directed at Ag., and the process of policy development and implementation.

A. Federal Price and Income Programs
B. Values of Farm People
C. Farm Problems
D. Farm Programs
E. Income Benefits of Agriculture Programs
F. Alternative Programs
G. The Process of Policy Development

XI. Other Chapters as Time Permits

Grading Policy
AGBS2361 grades will be based on the following items:
- Quizzes, (6 or 7): 100%
  These quizzes are pre scheduled and specified in the syllabus.
Final Grade Scale: A =100-90; B =89-80; C =79-70; D =69-60; F <60.

Attendance Policy

DEPARTMENT POLICIES
SFA AG DEPARTMENT ATTENDANCE AND PUNCTUALITY POLICY (referencing university policy, 6.7)

Attendance and punctuality are core skills to have as an engaged student and for a successful career.

For reference, below are examples of excused absences.
1.) Approved University activities (require documentation from sponsor and advanced notice)
2.) Death or major illness of an immediate family member (requires documentation and notice as soon as possible)
3.) Major illness of yourself (requires a doctor’s note).

Students missing classes, other than for university-sponsored trips, should contact the Office of Student Rights and Responsibilities (OSRR) and request that an absence notification be sent to the instructor(s). The notification is not an excuse, and is not evaluated by OSRR. The notification is only provided as a courtesy to the student and the student's instructor(s).

If you miss class for any other reason and feel your absence should be excused, you must provide me with a typed memo explaining why the absence should be excused and provide appropriate documentation. This memo must be provided within one week of the absence. All other absences are considered unexcused.

Excused absence from an exam can be made up. Unexcused absence from an exam cannot be made up.

Academic Integrity (A-9.1)
Academic Integrity (4.1)
The Code of Student Conduct and Academic Integrity outlines the prohibited conduct by any student enrolled in a course at SFA. It is the responsibility of all members of all faculty, staff, and students to adhere to and uphold this policy.

Articles IV, VI, and VII of the new Code of Student Conduct and Academic Integrity outline the violations and procedures concerning academic conduct, including cheating, plagiarism, collusion, and misrepresentation. Cheating includes, but is not limited to: (1) Copying from the test paper (or other assignment) of another student, (2) Possession and/or use during a test of materials that are not authorized by the person giving the test, (3) Using, obtaining, or attempting to obtain by any means the whole or any part of a non-administered test, test key, homework solution, or computer program, or using a test that has been administered in prior classes or semesters without permission of the Faculty member, (4) Substituting for another person, or permitting another person to substitute for one’s self, to take a test, (5) Falsifying research data, laboratory reports, and/or other records or academic work offered for credit, (6) Using any sort of unauthorized resources or technology in completion of educational activities.

Plagiarism is the appropriation of material that is attributable in whole or in part to another source or the use of one’s own previous work in another context without citing that it was used previously, without any indication of the original source, including words, ideas, illustrations, structure, computer code, and other expression or media, and presenting that material as one’s own academic work being offered for credit or in conjunction with a program course or degree requirements.

Collusion is the unauthorized collaboration with another person in preparing academic assignments offered for credit or collaboration with another person to commit a violation of any provision of the rules on academic dishonesty, including disclosing and/or distributing the contents of an exam. Misrepresentation is providing false grades or résumés; providing false or misleading information in an effort to receive a postponement or an extension on a test, quiz, or other assignment for the purpose of obtaining an academic or financial benefit for oneself or another individual or to injure another student academically or financially.

Course Grades Policy (5.5)
Ordinarily, at the discretion of the instructor of record and with the approval of the academic chair/director, a grade of WH will be assigned only if the student cannot complete the course work because of unavoidable circumstances. Students must complete the work within one calendar year from the end of the semester in which they receive a WH, or the grade automatically becomes an F. If students register for the same course in future terms the WH will automatically become an F and will be counted as a repeated course for the purpose of computing the grade point average. Please read the complete policy at http://www.sfasu.edu/policies/5.5_course-grades.pdf

Academic Accommodation for Students with Disabilities Policy (6.1)
To obtain disability related accommodations, alternate formats and/or auxiliary aids, students with disabilities must contact the Office of Disability Services (ODS), Human Services Building, and Room 325, 468-3004 / 468-1004 (TDD) as early as possible in the semester. Once verified, ODS will notify the course instructor and outline the accommodation and/or auxiliary aids to be
provided. Failure to request services in a timely manner may delay your accommodations. For additional information, go to http://www.sfasu.edu/disabilityservices/

**Responsible Use of Technology**
It is expected that all students will only use cell phones, PDAs, laptop computers, media players and other technology outside of class time or when appropriate in class. Answering a cell phone, texting, listening to music or using a laptop computer for matters unrelated to the course may be grounds for dismissal from class or other penalties.

**Acceptable Student Behavior**
Classroom behavior should not interfere with the instructor’s ability to conduct the class or the ability of other students to learn from the instructional program (see the Student Conduct Code, policy 10.4). Unacceptable or disruptive behavior will not be tolerated. Students who disrupt the learning environment may be asked to leave class and may be subject to judicial, academic or other penalties. This prohibition applies to all instructional forums, including electronic, classroom, labs, discussion groups, field trips, etc. The instructor shall have full discretion over what behavior is appropriate/inappropriate in the classroom.

Students who do not attend class regularly or who perform poorly on class projects/exams may be referred to the Early Alert Program. This program provides students with recommendations for resources or other assistance that is available to help SFA students succeed. Please read the complete policy at http://www.sfasu.edu/policies/student-code-of-conduct_10.4.pdf

**Student Wellness and Well-Being**
SFA values students’ overall well-being, mental health and the role it plays in academic and overall student success. Students may experience stressors that can impact both their academic experience and their personal well-being. These may include academic pressure and challenges associated with relationships, emotional well-being, alcohol and other drugs, identities, finances, etc.

If you are experiencing concerns, seeking help, SFA provides a variety of resources to support students’ mental health and wellness. Many of these resources are free, and all of them are confidential.

**On-campus Resources:**
**The Dean of Students Office** (Rusk Building, 3rd floor lobby)
www.sfasu.edu/deanofstudents
936.468.7249
dos@sfasu.edu

**SFA Human Services Counseling Clinic** Human Services, Room 202
www.sfasu.edu/humanservices/139.asp
936.468.1041

**The Health and Wellness Hub** “The Hub”
Location: corner of E. College and Raguet St.
To support the health and well-being of every Lumberjack, the Health and Wellness Hub offers comprehensive services that treat the whole person – mind, body and spirit. Services include:

- Health Services
- Counseling Services
- Student Outreach and Support
- Food Pantry
- Wellness Coaching
- Alcohol and Other Drug Education

www.sfasu.edu/thehub
936.468.4008
thehub@sfasu.edu

Crisis Resources:
- Burke 24-hour crisis line: 1.800.392.8343
- National Suicide Crisis Prevention: 9-8-8
- Suicide Prevention Lifeline: 1.800.273.TALK (8255)

I have received a copy of the syllabus for
AEC 261 Agricultural Economics, which
outlines course description, text
required, assignment policy, instructor
office hours, topic sequence, grading and attendance policy, disability accommodations, exam schedule and make-up exam considerations.

Signature _________________________

Date _____________________________

Print name here ____________________