



INTRODUCTION TO AGRICULTURAL ECONOMICS

AGRI 2317

Course Syllabus

Chad Henry-Instructor
e-mail: chenry@ntcc.edu

Spring, 2017

Course Description:

Fundamental economic principles and their application to the problems of the industry of agriculture.

Textbook:

Introduction to Agricultural Economics, 4th Edition, John B. Penson, Oral Capps, Jr., and C. Parr Rosson III, Prentice Hall Publishers.

Course Goals:

This course is designed to provide students in agriculture with a systematic introduction to the basic concepts and issues in economics as they relate to the U.S. food and fiber industry. The student will develop an understanding of the microeconomic and macroeconomic forces influencing the decisions of producers and consumers of food and fiber products.

General Course Requirements:

Class attendance is required. If you have more than three unexcused absences, you should consult with me about your grade. Anyone who wishes to withdraw from class must take the responsibility to formally drop with the Registrar; otherwise a failing grade will be given.

Class Hours

MW 8:00-9:20

Office Hours

MW 7:30-8:00, 1:00-1:30, 3:30-4:30
TR 7:30-8:00, 12:00-1:30, 3:30-4:30

Appointments with me may be scheduled at other times. Call for an appointment at (903) 434-8177, Office AGC 110. E-mail address: chenry@ntcc.edu

Course Objectives:

The student should be able to:

- define agricultural economics and know the role of agricultural economist
- know the roles of microeconomics and macroeconomics in the food and fiber industry
- explain how the physical structure of the farm sector is changing
- know the categories that make-up the farm input sector
- explain how farmers are linked to consumers by the food marketing system
- define the different roles of the marketing system and how they affect the food dollar
- explain how the utility function affects the consumer
- define the law of demand
- explain how changes in equilibrium affect price, supply, and demand
- know the factors that affect consumer demand
- define own-price elasticity of demand, income elasticity of demand, and cross-price elasticity of demand
- identify the conditions for perfect competition

- know the difference between explicit and implicit costs
- calculate a firm's liquidity, solvency, and profitability
- define the classification of inputs; land, labor, capital, and management
- assess short-run business costs
- explain the economics of input substitution in the short and long run
- identify the production possibilities frontier in the short and long run
- explain how to derive the market supply curve for a particular product under conditions of perfect competition and interpret what the equilibrium means for consumers and producers
- identify several forms of imperfect competition and cite examples of each form in the food and fiber industry
- discuss the broad issues associated with the production of food and fiber products in the U.S.
- illustrate the consequences of an inelastic demand for farm products
- identify some specific approaches the federal government has used to stabilize farm prices and incomes
- discuss how businesses and households are linked together through resource and product markets, to establish an equilibrium between consumers and producers
- discuss the composition and measurement of national output
- examine the nature of fluctuations in business activity
- outline the macroeconomic policy actions the federal government can take to achieve specific objectives
- discuss the characteristics of money, including the functions it performs
- understand the role the Federal Reserve System plays in our monetary economy

Grading:

Grades will be computed as follows:

(3) Exams:	60%
Class Participation:	10%
Project:	20%
Assignments/Quizzes	10%

The grading scale below will be used to determine your final grade.

Points	grade
90-100	A
80- 89	B
70- 79	C
60- 69	D
BELOW 59%	F

Exams:

There will be 3 exams with each exam counting 33% for a total of 60% of your overall grade.

Class Participation:

Class participation is based on attendance, classroom discussion, assignments, and participation.

Assignments/Quizzes

We will have both announced and unannounced quizzes during the semester, along with group and individual assignments.

Project:

Each student will be given 500 acres of land and he or she will decide what agriculture product to produce on this land. The student will be required to do an annual business report that includes a balance sheet, income statement, and business plan. The report should have realistic expenses and revenues. The business plan should include short-term and long-term goals. The project grade will be based on effort, planning, detail, and content. The business plan is due March 22, 2017. The income statement is due April 5, 2017. The final project is due April 12, 2017. The business plan will be graded based on: amount of content (20%), accuracy (20%), creativity (20%), grammar and spelling (20%) and appearance (20%). The income statement and balance sheet will be graded based on: the accuracy of the numerical data based on your business plan (25 points), realistic data (25 points), correct analysis of the data (25 points), and overall content (25 points). The business plan, income statement, and balance sheet will each count as 1/3 of the total grade on your project.

ADA Statement

It is the policy of Northeast Texas Community College to provide reasonable accommodations for qualified individuals who are students with disabilities. This College will adhere to all applicable federal, state and local laws, regulations and guidelines with respect to providing reasonable accommodations as required to afford equal educational opportunity. It is the student's responsibility to arrange an appointment with a College counselor to obtain a Request for Accommodations form. For more information, please refer to the Northeast Texas Community College Catalog or Student Handbook.

ACADEMIC HONESTY POLICY

“Students are expected to complete course work in an honest manner, using their intellects and resources designated as allowable by the course instructor. Students are responsible for addressing questions about allowable resources with the course instructor. **NTCC upholds the highest standards of academic integrity. This course will follow the NTCC Academic Honesty policy stated in the Student Handbook.**”

Course Outline:

Week 1	What is agricultural economics
Week 2	The U.S. food and fiber system
Week 3	Theory of consumer behavior
Week 4	Consumer equilibrium and market demand
Week 5	Measurement and interpretation of elasticities
Week 6	Assessing business performance
Week 7	Introduction to production and resource use
Week 8	Economics of input substitution
Week 9	Economics of product substitution
Week 10	Market equilibrium and product price: perfect competition
Week 11	Market equilibrium and product price: imperfect competition
Week 12	Government intervention in agriculture
Week 13	Supporting farm prices and incomes
Week 14	Product markets and national output
Week 15	Consequences of business fluctuations
Week 16	Money, money markets, and monetary policy