

CC Approval: 10/06/2016
 Board of Trustees:
 Last Revised: 09/03/2015

DESIGNATOR & NUMBER: ABT 53

COURSE TITLE: Agribusiness Economics

CREDIT UNITS: 3

FACULTY INITIATOR: Steven Triano

SEMESTER HOURS:

| | |
|---------------|------------------------------|
| 48.00 - 54.00 | Lecture Contact Hours |
| 0.00 | Lab Contact Hours |
| 0.00 | Total Contact Hours |
| 6.00 | Total Out-of-Class Hours |
| 0.00 | Total Student Learning Hours |

TOTAL CONTACT HOURS (BASED ON 16-18 WEEKS)

| | |
|---------------|--------------------------------|
| 48.00 - 54.00 | Lecture |
| 0.00 | Lab |
| 0.00 | By Arrangement Lab Hours (DHR) |

GRADING BASIS:

Grade Only

PREREQUISITE:

COREQUISITE:

ADVISORY:

OTHER:

COURSE DESCRIPTION:

Designed to further a student's understanding of how agriculture and agricultural production systems work within global economic systems, including basic economic concepts, supply and demand, pricing and marketing considerations, production factors, resource allocation, cost analysis, problems specific to agriculture, plus state and federal farm programs affecting the economic positions of agriculture companies.

COURSE OBJECTIVES:

Upon satisfactory completion of the course, students will be able to

1. compare and contrast the role of agriculture in the economic structures of the country and the world.
2. define economic terms.
3. analyze market conditions and predict price and production functions.
4. interpret factors of production and cost of product.
5. differentiate legislation affecting the farm system and competition on the market.
6. define the laws of supply and demand.
7. describe the monetary system in this country, price and competition in the market.
8. explain the country's fiscal policy.
9. contrast and criticize the different economic systems.
10. solve supply and demand schedules.
11. construct and analyze graphs that utilize data on cost factors.
12. graph and analyze production functions and identify the three stages of production.

COURSE CONTENT:

- I. The Nature of Agricultural Economics
 - a. Definition
 - b. Relationship to other sciences
 - c. Macro vs microeconomics
 - d. Graphing review
- II. US and global food and fiber industry
 - a. US vs global food industry
 - b. US vs global fiber industry
- III. Consumer Behavior and Demand
 - a. Utility theory and consumer choice
 - b. Factors affecting demand
 - c. Demand elasticity's
 - d. Indifference curves
 - e. Law of Demand
- IV. Production Functions
 - a. Single input production functions
 - b. Average and marginal physical product
 - c. Stages of production
 - d. Law of diminishing marginal returns
 - e. Two variable input functions
 - f. Profitability
 - g. Isoquants and marginal rate of substitution
 - h. Isocost lines and calculations
- V. Cost of Production
 - a. Total, average and marginal production costs
 - b. Cost calculations
- VI. Competition and the Market
 - a. The function of price
 - b. Purely competitive markets
 - c. The profit-maximizing monopolist
 - d. Imperfect competition
 - e. Anti-trust laws/agricultural bargaining
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- a. Law of supply
 - b. Factors affecting supply
 - c. Law of demand
 - d. Factors affecting demand
 - e. Elasticity
 - f. Equilibrium
- VIII. Macroeconomics
- a. Economic indicators
 - b. Aggregate supply
 - c. Aggregate demand
 - d. Factors affecting each
- IX. Agricultural Price and Income Policy
- a. Farm Credit system
 - b. Agricultural Policy
 - c. Parity
 - d. Major agricultural problems in the United States
- X. Marketing Agricultural Commodities
- a. Development of markets
 - b. The marketing margin
 - c. Future trading
- XI. Comparative Economic Systems
- a. Major types of economic systems
 - b. Soviet agriculture over the years
 - c. Transition to a “free market” economy
 - d. The people’s republic of China
- XII. International Policy and Economics
- a. Basis for foreign trade
 - b. Economic effect of tariffs and quotas
 - c. Agricultural trade balance

INSTRUCTIONAL METHODOLOGY:

Lecture

Individual Assistance

Audiovisual (including PowerPoint or other multimedia)

Demonstration

Discussion

Group Activity

Requires a minimum of three (3) hours of work per unit including class time and homework.

METHODS OF EVALUATING OBJECTIVES OR OUTCOMES:

Methods of evaluation to determine if students have met objectives may include, but are not limited to the following:

| CLASSROOM | EXPLANATION |
|---------------------|--------------------------------|
| Oral Assignments | Student presentations |
| Written Assignments | Analysis of economic scenarios |

| EXAMS | EXPLANATION |
|-------|----------------|
| Essay | Topic paper(s) |

Comprehensive Final
Objective Test

Objective and short answer questions
Objective and short answer questions