AGR 1001  Introduction to Agricultural Economics (3 Credit Hours)  Spring 2017

Instructor:  Mr. Willard Mott
willard_mott@ivcc.edu
Office: J112E
Phone: 815.224.0413

Lecture:  Tuesday 8:00 – 9:15 AM  Rm: J116E
Thursday 8:00 – 9:15 AM  Rm: J116E

Office Hours:  Tuesday 9:30 – 12:30 PM
Thursday 9:30 – 12:00 PM
Other Times Available By Appointment


Online Resources:  Fast Tools and Resources
University of Illinois Extension Farmdoc Website
www.farmdoc.illinois.edu

Course Description:  An introduction to the principles of economics including production principles; production costs, supply and revenue; profit maximization; consumption and demand; price elasticity; market price determination; and competitive versus noncompetitive market models. These principles are applied to agriculture and the role of agriculture in the United States and world economies. Other topics include a survey of the world food situation; natural, human and capital resources; commodity product marketing; and agricultural problems and policies.

Course Objectives:  1. Students will be able to summarize economics and economic growth.
2. Students will be able to identify the characteristics of agriculture.
3. Students will be able to identify and discuss principles of economics.
4. Students will be able to discuss global issues in agriculture.
5. Students will be able to identify and discuss marketing food and agricultural products.
6. Students will be able to analyze agricultural problems and policy.
7. Students will be able to identify and discuss current topics.

Prerequisite:  None
Disability: You may be eligible for academic accommodations if you have a documented physical, psychiatric (anxiety, depression, bipolar disorder, AD/HD, post-traumatic stress, or others) or cognitive disability such as a learning disability. If you have a disability and need more information regarding possible accommodations, please contact Tina Hardy at (tina_hardy@ivcc.edu, 224-0284) or stop by office C-211.

Attendance: Attendance will be taken on a daily basis. Students will be subject to withdrawal from the course by the instructor after 3 unexcused absences. Each tardy will be recorded as a half absence.

Grades: The following grading scale will be used. Grade will be calculated using the individual student’s accumulation of points out of the total possible points for the course. When a final letter grade is assigned, attendance and class participation will be taken into consideration, especially in situations where students are close to having earned the next higher grade.

- **A** 90% - 100%
- **B** 80% - 89%
- **C** 70% - 79%
- **D** 60% - 69%
- **F** Below 60%

**Grading Format:**
- Exam 1 - 100 pts
- Exam 2 - 100 pts.
- Exam 3 (Final) - 150 pts.
- Quizzes - 80 pts.
- Group Project - 200 pts.
- Homework Assignments - 100 pts.
- Total Points Possible: 730 pts.

**Blackboard:** Blackboard will be used for grades, announcements, course materials, and assignments. Students are required to use blackboard on a regular basis.

**Exams/Quizzes:** Students are expected to take all exams and quizzes as scheduled. Should a student miss an exam or a quiz for a valid reason the student will have two school days to make up the exam. Students are required to email the instructor the day of the exam or quiz explaining the reason for the absence. Further evidence may be requested to validate the reason for an absence. Failure to email the instructor the day of the exam or quiz will result in a zero.
**Homework:** Students are required to submit homework electronically in blackboard unless otherwise instructed in the assignment. A series of 5 homework assignments will be posted to blackboard throughout the semester. The due date and assignment details will be posted in blackboard.

**Group Project:** One comprehensive group project will be assigned during the semester. Group members will be assigned and details of the project will be handed out during lecture and posted to blackboard. Scheduled group project presentation dates are posted in the course outline.

**Late Work:** Assignments turned in late will receive a score of zero. **No late work will be accepted.**

**Withdraw:** The last day to withdraw from the course is **April 10, 2017**. If it becomes necessary to withdraw from the course it is recommended to meet with the instructor prior to starting the process. The instructor reserves the right to withdraw a student.

**Financial Aid:** Withdrawal from a course can affect financial aid. Students who receive financial aid should see an advisor in the financial aid office before withdrawing from a course.

**Academic Honesty:** Any student caught cheating or plagiarizing will automatically receive a score of zero and may be subject to further disciplinary action according to the IVCC Student Code of Conduct.

**Email:** Effective Summer 2011, all students will be responsible for checking their IVCC email. All electronic college correspondence will only be sent to the IVCC email.

**Student Rights and Responsibilities:**

Students will be expected to demonstrate and follow all expectations, guidelines, and standards outlined in the student handbook which is available at: [http://catalog.ivcc.edu/studentservices/studenthandbook/](http://catalog.ivcc.edu/studentservices/studenthandbook/)

Concerning:

1. Attendance
2. Academic Integrity
3. Code of Conduct
4. Complaints
5. Harassment

**Incomplete:** Incompletes may be issued when extenuating circumstances exist that a student cannot complete a course. Arrangements will be made with the instructor.
Other items:  No additional testing, extra credit or grade boosting will be allowed.

During all class meetings, please turn off all cell phones and pagers or place them on “silent” mode. Students are not allowed to have cell phones out during lecture.

Tobacco products are not allowed in the classroom. Students are strongly discouraged from bringing children to class.

Course Outline: (adjustments may be made as necessary)

Week 1:
Thursday January 12th:  Syllabus
Introduction

Week 2:
Tuesday January 17th:  Chapter 1 (Required Reading pg 1-12)
What is Agricultural Economics?
A.  Scope of Economics
B.  Definition of Economics
C.  Definition of Agricultural Economics
D.  What Does an Agricultural Economist Do?
E.  What Lies Ahead?

Thursday January 19th:  Quiz #1
Chapter 2 (Required Reading pg 13-26)
The U.S. Food and Fiber Industry
A.  Indices
B.  What is the Food and Fiber Industry?
C.  Changing Complexion of Farming

Week 3:
Tuesday January 24th  Chapter 2 Cont. (Required Reading pg 27-36)
D.  Other Sectors in the Food And Fiber Industry

Thursday January 26th  Quiz #2
Chapter 3 (Required Reading pg 37-40)
Theory of Consumer Behavior
A.  Utility Theory

Week 4:
Tuesday January 31st  Chapter 3 Cont. (Required Reading pg 40-50)
B.  Indifference Curves
C.  The Budget Constraint

Thursday February 2nd  Quiz #3
Chapter 4 (Required Reading pg 51-60)
Consumer Equilibrium and Market Demand
A.  Conditions for Consumer Equilibrium
B.  Changes in Equilibrium
C.  The Law of Demand
Week 5:
Tuesday February 7th
  Chapter 4 Cont. (Required Reading pg 60 – 67)
  D. Tastes and Preferences
  E. Consumer Surplus

Thursday February 9th
Exam #1 Chapters 1 - 4

Week 6:
Tuesday February 14th
  Chapter 5 (Required Reading pg 69 – 78)
  Measurement and Interpretation of Elasticities
    A. Own-Price Elasticity of Demand
    B. Income Elasticity of Demand
    C. Cross-Price Elasticity of Demand
    D. Other General Properties

Thursday February 16th
  Chapter 5 cont. (Required Reading 79 - 85)
    E. Applicability of Demand Elasticities

Week 7:
Tuesday February 21st
  Quiz #4
  Chapter 6 (Required Reading 85 – 92)
  Introduction to Production and Resource Use
    A. Conditions for Perfect Competition
    B. Classification of Inputs
    C. Important Production Relationships

Thursday February 23rd
  Chapter 6 Cont. (Required Reading 93 – 104)
    D. Assessing Short-Run Business Costs
    E. Economics of Short-Run Decisions
    F. What Lies Ahead?

Week 8:
Tuesday February 28th
  Quiz #5
  Chapter 8 (Required Reading pg 131 – 140)
  Market Equilibrium and Product Price: Perfect Competition
    A. Derivation of the Market Supply Curve
    B. Market Equilibrium Under Perfect Competition

Thursday March 2nd
  Chapter 8 Cont. (140 – 146)
    C. Adjustments to Market Equilibrium

Week 9:
Tuesday March 7th
  Quiz #6
  Chapter 9 (Required Reading pg 147 – 160)
  Market Equilibrium and Product Price: Imperfect Competition
    A. Market Structure Characteristics
    B. Imperfect Competition in Selling
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<tr>
<td>Thursday March 9th</td>
<td>Chapter 9 cont. (Required Reading pg 160 – 173)</td>
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<td>C. Imperfect Competition in Buying</td>
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<td>D. Market Structures in Livestock Industry</td>
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<td>E. Governmental Regulatory Measures</td>
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**Week 10:**

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<tr>
<td>Tuesday March 14th</td>
<td>Exam #2 Chapters 5,6,8, and 9</td>
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<tr>
<td>Thursday March 16th</td>
<td>Chapter 10 (Required Reading pg 173 – 186)</td>
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<tr>
<td>Natural Resources, the Environment, and Agriculture</td>
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<td>A. Agriculture and the Environment</td>
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<td>B. Economics of the Environment</td>
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<td>C. The Economics of the Resources of Agriculture</td>
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**Week 11:**

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<tr>
<td>Tuesday March 21st</td>
<td>Chapter 10 Cont. (Required Reading pg 186 – 199)</td>
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<td>D. Soil Quality and Quantity</td>
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<td>E. The Economics of Soil Conservation</td>
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<td>F. Water as an Economic Asset</td>
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<td>G. Government Policies for Agriculture, Natural Resources, and the Environment</td>
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**Week 12:**

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<tr>
<td>Thursday March 23rd</td>
<td>Quiz #7</td>
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<td>Chapter 11 (Required Reading 199-206)</td>
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<td>Government Intervention in Agriculture</td>
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<td>A. Rationale or Government Intervention</td>
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<td>B. Farm Economic Issues</td>
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<td>C. Consumer Issues</td>
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**Week 13:**

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<tr>
<td>Tuesday April 4th</td>
<td>Chapter 11 Cont. (Required Reading 206 – 222)</td>
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<td>D. Historical Support Mechanisms</td>
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<td>E. Phasing Out of Supply Management</td>
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<td>F. Domestic Demand Expansion Programs</td>
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<td>G. Importance of Export Demand</td>
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<td>Thursday April 6th</td>
<td>Group Project Work Day</td>
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**Week 14:**

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<td>Tuesday April 11th</td>
<td>Group Project Work Day</td>
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<tr>
<td>Thursday April 13th</td>
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**Week 15:**

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<td>Tuesday April 18th</td>
<td>Group Project Presentation Day</td>
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**Week 12:**

Spring Break No Classes
Thursday April 20th

Chapter 16 (Required Reading pg 315 – 320)
Agricultural Trade and Exchange Rate
   A. Growth and Instability in Agricultural Trade
   B. The Importance of Agricultural Trade
   C. The Composition of Agricultural Trade
   D. Direction of U.S. Agricultural Trade

Week 16:

Tuesday April 25th

Chapter 16 Cont. (Required Reading pg 320 – 326)
   E. U.S. Agricultural Trade Performance
   F. Exchange Rates and the Foreign Exchange Market
   G. Balance of Payments

Thursday April 27th

Chapter 16 Cont. (Required Reading pg 326 – 343)
   H. The International Monetary System
   I. Exchange Rate Determination
   J. Exchange Rate and US Agricultural Trade
   K. Considerations for Policy Coordination

Week 17:

Tuesday May 2nd

Quiz #8
Current Agricultural Economic Issues
   A. Land Economics
   B. Influence of local production on local economies
   C. Influence of tourism on local economies

Thursday May 4th

Review Final Exam (Comprehensive Exam)

Week 18:

Thursday May 11th

Final Exam (Cumulative)