Louisiana State University  
Department of Agricultural Economics and Agribusiness  

Introduction to Agricultural Economics  
AGEC 2003  

Fall Semester, 2015  

COURSE CATALOG DESCRIPTION  

AGEC 2003 Introduction to Agricultural Economics (3) Role of agriculture in the general economy. Economic principles applied to agricultural production, processing, marketing, policy, and consumption issues.  

INSTRUCTOR  
Dr. Jeffrey M. Gillespie  
111 Martin D. Woodin Hall  

OFFICE HOURS  
By appointment  
Phone:  (225) 578-2759  
E-mail: jmgille@lsu.edu  

LECTURES  
8:30 - 9:20 MWF  
6 Lockett Hall  

COURSE OBJECTIVES  

(1) To develop a conceptual framework for the economic analysis of the food and fiber system.  

(2) To become familiar with economic principles as applied to agricultural production, marketing, processing, consumption, and policy.  

(3) To develop the skills and concepts that will enable students to apply economic theory to the analysis of decisions made by producers and consumers.  

TEXTBOOK  

STUDENT RESPONSIBILITIES  

(1) Class attendance is required to achieve course objectives.  

(2) Students are responsible for reading and understanding the LSU Code of Student Conduct regarding academic dishonesty.
(3) Except in the case of an emergency, do not leave during class unless you have cleared this with the instructor ahead of time.
(4) All electronic devices must be placed on silent mode during class.

STUDENT EVALUATION

Students will be evaluated based upon the following requirements:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Points</th>
<th>% of Grade</th>
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<tbody>
<tr>
<td>Three in-class exams (drop the lowest), 100 points each × 2 exams</td>
<td>200</td>
<td>50</td>
</tr>
<tr>
<td>Four homework problem sets, 20 points each × 4 sets</td>
<td>80</td>
<td>20</td>
</tr>
<tr>
<td>Ten in-class assignments, 2 points each × 10 assignments</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>One cumulative final examination</td>
<td>100</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>400</td>
<td>100</td>
</tr>
</tbody>
</table>

The Details
- In-class exams will be held on Friday, Sept. 18; Friday, Oct. 16; and Friday, Nov. 13.
- The lowest grade of the three in-class exams will be dropped. **Make-up examinations will not be given. Any missed examination will be used as the drop grade.**
- The final exam will be held Monday, Dec. 7, 12:30-2:30 p.m. in 6 Lockett Hall.
- **Neither the final exam nor the homework sets may be used as exam drop grades.**
- No calculators or other electronic devices will be permitted for use during exams.
- Homework problem sets are due at the beginning of class on the due date. **Homework sets turned in after the beginning of class will be considered late. Grades on late homework problem sets will be reduced 50%. Late homework problem sets will not be accepted after 8:30 a.m. on the next day this class meets.**
- While students are encouraged to work together on homework problem sets, **copied homework assignments will not be accepted. Each student must prepare his or her own assignment using his or her own words.**
- **In-class assignments cannot be made up** and will be excused only in cases where a university-approved excused absence can be documented. Keep in mind that if a varsity coach or band director would not accept the excuse for absence from practice, a game, or a performance, I will not accept it as an excuse for absence on an in-class assignment.

Final grades will be assigned based on the following performance standard:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>96.67% to 100.00%</td>
</tr>
<tr>
<td>A</td>
<td>93.34% to 96.66%</td>
</tr>
<tr>
<td>A-</td>
<td>90.00% to 93.33%</td>
</tr>
<tr>
<td>B+</td>
<td>86.67% to 89.99%</td>
</tr>
<tr>
<td>B</td>
<td>83.34% to 86.66%</td>
</tr>
<tr>
<td>B-</td>
<td>80.00% to 83.33%</td>
</tr>
<tr>
<td>C+</td>
<td>76.67% to 79.99%</td>
</tr>
<tr>
<td>C</td>
<td>73.34% to 76.66%</td>
</tr>
<tr>
<td>C-</td>
<td>70.00% to 73.33%</td>
</tr>
<tr>
<td>D+</td>
<td>67.67% to 69.99%</td>
</tr>
<tr>
<td>D</td>
<td>63.34% to 66.66%</td>
</tr>
<tr>
<td>D-</td>
<td>60.00% to 63.33%</td>
</tr>
<tr>
<td>F</td>
<td>&lt;60.00%</td>
</tr>
</tbody>
</table>
**Academic Integrity and Academic Misconduct:** Students are required to know and abide by Louisiana State University's Policy on Academic Integrity and Academic Misconduct, which prohibits dishonesty in academic work. For more information, please visit the webpage “LSU Code of Student Conduct”, [http://students.lsu.edu/saa/students/code](http://students.lsu.edu/saa/students/code).

**Disability Statement:** The University is committed to making reasonable efforts to assist individuals with disabilities in their efforts to avail themselves of its services and programs. To this end, Louisiana State University will provide reasonable accommodations for persons with documented qualifying disabilities. If you have a disability and feel you need accommodations in this course, you must present a letter to me from Disability Services (located in 115 Johnston Hall) indicating the existence of a disability and the suggested accommodations [http://students.lsu.edu/disability](http://students.lsu.edu/disability).

**Diversity Statement:** Diversity is fundamental to LSU's mission and the University is committed to creating and maintaining a living and learning environment that embraces individual differences. Cultural inclusion is of highest priority. LSU recognizes that achieving national prominence depends on the human spirit, participation, and dedicated work of the entire University community. Flagship: 2020 will be realized by bringing together diverse ideas, perspectives, skills, and talents of the nation's pre-eminent scholars, brightest students, and leading higher education professionals. Through its Commitment to Community, LSU strives to create an inclusive, respectful, intellectually challenging climate that embraces individual differences in race, ethnicity, national origin, gender, sexual orientation, gender identity/expression, age, spirituality, socio-economic status, disability, family status, experiences, opinions, and ideas. LSU proactively cultivates and sustains a campus environment that values open dialogue, cooperation, shared responsibility, mutual respect, and cultural competence—the driving forces that enrich and enhance cutting edge research, first-rate teaching, and engaging community outreach activities [http://www.lsu.edu/diversity/about_us/diversity-statement.php](http://www.lsu.edu/diversity/about_us/diversity-statement.php).

**AGEC 2003 IS A GENERAL EDUCATION COURSE.**

General education courses are designed to help students learn to think, describe, and analyze the world. The primary goal is to educate, rather than to train students. AGEC 2003 is designed to produce students who have developed:

- A familiarity with the nature and function of the social sciences.
- An appreciation of the methods of critical inquiry.
- A comprehension of how knowledge is acquired and applied.

Learning goals associated with the LSU general education social sciences area that this course will address include:

- Demonstrate mastery of factual knowledge of the subject matter.
- Demonstrate an understanding of the levels of association ranging from friends to family to civilizations of global significance.
• Demonstrate an understanding of how people relate to each other and to the world around them, ranging from their relations to the physical environment to their relations to the divine.

COURSE CONTENT

A.  The Farm and Food System, Chapters 1 & 2
   1.  Defining the Fields of Agricultural Economics and Agribusiness
   2.  Characteristics of the Farm and Food System
       a.  Business Structure
       b.  The Role of Agriculture in the U.S. Economy
       c.  The Agribusiness Complex
   3.  Trends Affecting Agriculture

B.  Consumer Behavior, Chapter 3
   1.  The Budget Constraint
   2.  Utility Theory
   3.  Consumer Equilibrium
   4.  The Demand Curve
   5.  Market Demand
   6.  Elasticity of Demand

C.  Technology of Production, Chapter 4
   1.  Classification of Inputs
   2.  Physical Relationships
   3.  Value Relationships

D.  Agricultural Production Decision Making, Chapter 5
   1.  Two Variable Input Functions
   2.  Input Substitution
   3.  The Least-Cost Combination
   4.  Product-Product Combinations
   5.  Optimizing Output
   6.  The Expansion Path

E.  Cost of Production, Chapter 6
   1.  Cost Identification
   2.  Length of Run
   3.  The Short-Run Supply Curve
   4.  Market Supply
   5.  The Supply Elasticity
   6.  Price Determination
F. **Agricultural Marketing, Chapters 7 and 12**
   1. Competition in Agriculture
   2. Price Analysis
   3. Market Classification
   4. Marketing Margins
   5. The Role of Markets in Agriculture

G. **Agricultural Policy, Chapter 11**
   1. Elasticity of Demand and Farm Income
   2. Supply Constraint Policies
   3. Demand Expansion Policies
   4. Sustainable Agriculture
   5. Environmental Policies
   6. Agricultural Trade Policies

H. **Special Topics in Agricultural Economics**