

# AGEC 360

## AGRICULTURAL ECONOMICS

### WESTERN KENTUCKY UNIVERSITY

#### Course Information

Instructor:	Dr. Stephen A. King
Format:	Web (on-line)
Course Dates:	Monday, May 9 through Friday, June 10
CRNs:	40279
Section:	M78
Credit Hours:	3

#### Contacting Dr. King

The best method of contacting Dr. King is to call or text him at his cell number 270-991-9804. Zoom office hours are available by appointment, to set up an appointment please call or text Dr. King at his cell phone number. Dr. King's email WKU address is [Stephen.King2@wku.edu](mailto:Stephen.King2@wku.edu), please note that if you do not receive a response to an email within an adequate time it is requested that you call or text Dr. King at his cell number 270-991-9804.

#### Course Messages and Announcements

Courses messages and announcements will be sent via one or more of the following methods:

- Blackboard Announcements
- WKU E-mail
- Remind texting service: To receive messages via remind, please text @agec360 to 81010

#### Course Prerequisites

There are no university course prerequisites required for this course. However, all students are expected to have met the WKU pre-college curriculum admission requirements. Of particular importance are "3 years of mathematics (Algebra I, Algebra II and Geometry or Integrated Math I, II, and III)" and "3 years of social studies (chosen from U.S. History, Economics, Government, World Geography and World Civilization)".

#### Course Description

AGEC 360 provides an introductory overview of the private and public sector of the United States economy, identification of the resources used in agriculture, and an elementary application of economic principles to resource use in agriculture. Specific topics and concepts covered will include an introduction to agricultural economics and history of the discipline, the U.S. food and fiber industry, the role of government in the economy, consumer behavior, producer behavior, market equilibrium, and a brief introduction to macroeconomic policy goals and their impact on agriculture production and the broader U.S. food and fiber industry.

#### Course Objectives

Upon completing this course, it is expected that the student will gain an introductory understanding of:

1. the history of the discipline of agricultural economics;
2. the U.S. food and fiber industry;
3. the role of government in agriculture and the general economy;
4. consumer behavior;
5. producer behavior;
6. market equilibrium; and
7. U.S. macroeconomic policy goals.

## Course Text

Although course notes and other materials are available via the course *Blackboard* site, a textbook is strongly recommended. There are many textbooks that cover the content of the course. The structure and content of AGEC 360 is strongly associated with the textbook *Introduction to Agricultural Economics* by Penson *et al.* Any newer edition of this textbook should be beneficial to the student.

Text	WKU Bookstore Used	Chegg.com Used	AbeBooks.com Used	TextBooks.com Used	eCampus.com Used
Penson, John B. Jr., Oral Capps, Jr., C. Parr Rosson III, and Richard T. Woodward. 2006. <i>Introduction to Agricultural Economics, 4<sup>th</sup> Edition</i> . Upper Saddle River, NJ: Pearson Prentice Hall. ISBN: 013117312X	Not Available	Not Available	\$9.98	\$36.07	\$35.67
Penson, John B. Jr., Oral Capps, Jr., C. Parr Rosson III, and Richard T. Woodward. 2010. <i>Introduction to Agricultural Economics, 5<sup>th</sup> Edition</i> . Upper Saddle River, NJ: Pearson Prentice Hall. ISBN: 0131592483	Not Available	Not Available	\$21.53	\$69.50	\$90.75
Penson, John B. Jr., Oral Capps, Jr., C. Parr Rosson III, and Richard T. Woodward. 2014. <i>Introduction to Agricultural Economics, 6<sup>th</sup> Edition</i> . Upper Saddle River, NJ: Pearson Prentice Hall. ISBN: 0133379485	Not Available	Not Available	\$39.14	\$37.75	\$41.53
Penson, John B. Jr., Oral Capps, Jr., C. Parr Rosson III, and Richard T. Woodward. 2018. <i>Introduction to Agricultural Economics, 7<sup>th</sup> Edition</i> . Upper Saddle River, NJ: Pearson Prentice Hall. ISBN-13: 9780134602820	\$149.99	\$104.49	\$119.99	\$115.83	\$126.11

*Pricing and availability as of Wednesday, May 11, 2022*

Students are expected to study the assigned topics (textbook chapters) no later than the recommended due dates. Please note that relying solely on the course notes, course videos, supplemental readings, and other materials available via the course *Blackboard* site has worked for some students but may not be sufficient for all students.

The course textbook is available **free** of explicit monetary charges **from the WKU Library**:

- Penson, John B. Jr., Oral Capps, Jr., C. Parr Rosson III, and Richard T. Woodward. 2010. *Introduction to Agricultural Economics, 5<sup>th</sup> Edition*. Upper Saddle River, NJ: Pearson Prentice Hall. ISBN: 0131592483. WKU Helm-Cravens Library Call Number: HD1415.I68 2010

## Course Videos

There are instructional course videos for this course. You will access these videos via the course *Blackboard* site.

## Information Technology Requirements

You should have access to relatively new versions of the following information technology:

- Windows based personal computer
- Antivirus software
- High-speed internet connection
- Internet browser such as Internet Explorer, Mozilla Fire Fox, or Chrome
- Microsoft Word with Equation Editor 3.0
- Microsoft Excel
- Adobe Reader (freely available from <http://www.adobe.com/>)

It is not required that you own the above information technology. Every single one of you has access to these technologies through the various computer labs on the WKU campus. For location and operating hours of these labs see:

<http://www.wku.edu/it/labs/>

## Hand-held Calculator

It is expected that each student has a quality hand-held calculator. Cell phone calculators and internet enabled devices are not allowed during proctored quizzes and exams. There are numerous calculators that will suffice for this course. Agribusiness students should consider investing in a Hewlett-Packard HP-12c, which is a quality calculator that will suffice for this course as well as for other AGEC courses.

Basic mathematical functions will suffice for AGEC 360. Your calculator should carry at least 4 decimal places. If you carry fewer than 4 decimal places you may make errors on certain calculation required in this course.

Agribusiness students should think about mathematical, statistical, and financial functions that will be needed for courses such as AGRI 291 Introduction to Data Analysis, AGEC 361 Farm Management, AGEC 362 Agricultural Marketing, and AGEC 463 Agricultural Finance when purchasing a calculator.

Calculators with functions such as the following should be beneficial for agribusiness students.

- Mathematical functions, such as:
  - $y^x$ ,  $\frac{1}{x}$ ,  $\sqrt[y]{y}$ ,  $e^x$ ,  $n!$ ,  $LN$
- Statistical functions, such as:
  - Mean
  - Median
  - Mode
  - Variance
  - Standard deviation
  - Coefficient of variation
  - Weighted mean
  - Linear regression
- Financial functions, such as:
  - Present value (PV)
  - Future value (FV)
  - Present value of an ordinary annuity
  - Present value of an annuity due
  - Loan payment
  - Loan balance
  - Periodic and annual interest rate
  - Net present value (NPV)
  - Benefit-cost ratio (B/C)
  - Internal rate of return (IRR)
  - Depreciation calculations

The HP-12c is available in a standard and platinum version. The MSRP are \$69.99 and \$79.98 respectively. However, it is easy to find discounted prices from various retailers such as Amazon or even directly from Hewlett-Packard <https://store.hp.com/us/en>. Each version usually comes with a high-quality user's guide and the platinum version in the past has been packaged with a tutorial DVD.

If you are looking for a low-cost entry-level calculator that may suffice for this and other courses, you might consider a Texas Instruments calculator. For those desiring a financial/business calculator the TI BA II Plus is a low-cost option and for those desiring a scientific calculator the TI 30Xa is a decent low-cost option.

## Course Design and Requirements

### General Format

The course is constructed around the following modules

1. The Introduction
2. Consumer Behavior
3. Producer Behavior
4. Market Equilibrium
5. Macroeconomics

Under each module/menu item on the course *Blackboard* site you should find a set of learning objectives and course notes. It is recommended that you first download the learning objectives and use the learning objectives document as a guide toward your studying. You are expected to study particular chapters in the course textbook, course notes, occasional additional readings or course videos, and complete exercises. Please note that the exercises are for your study purposes and thus are not submitted.

### Quizzes

It is expected that we will have at minimum 4 quizzes. There are no makeup quizzes and they must be completed by the deadline. If you foresee problems call or text Dr. King at 270-991-9804.

### Examinations

It is expected that there will be one mid-term exam and one final exam. The mid-term exam is expected to focus on “The Introduction” and the “Consumer Behavior” modules. The final exam is expected to be comprehensive and will thus covers all five modules. There are no makeup exams and they must be completed by the deadline. If you foresee problems call or text Dr. King at 270-991-9804.

### Grading

*Your final course grade will be determined by:*

Grading System				
Component	Quantity	Points	Total Points	Percent of Course Grade
Quizzes	4	100.0	400	40.0
Mid-term Exam	1	250.0	250	25.0
Final Exam	1	350.0	350	35.0
<b>Total</b>			<b>1,000</b>	<b>100.0</b>

*Course grades will be assigned using the following grading scale:*

Grading Scale				
Grade	Percentage	Point Range		
A	≥ 90	900	to	1,000
B	80 - 89.99	800	to	899
C	70 - 79.99	700	to	799
D	60 - 69.99	600	to	699
F	< 60	0	to	599

The letter grades A, B, C, D, and F have the following significance:

- A – “excellent” valued at four quality points per semester hour;
- B – “good” valued at three quality points per semester hour;
- C – “average” valued at two quality points per semester hour;
- D – “below average, unsatisfactory” valued at one quality point per semester hour; and
- F – “failure” valued at no semester hours earned and no quality points.

Students are encouraged to review the Western Kentucky University Undergraduate Catalog for further information on the “grading and quality point system.”

## **Extra Credit**

There is no guarantee that extra credit or bonus points will be made available. If extra credit or bonus points are made available, the maximum extra credit or bonus points that a student is allowed to earn may be limited to 50 points or 5 percentage points.

## **Other Important Notices**

### **Student Accessibility Resource Center**

In compliance with university policy, students with documented disabilities who require accommodations (academic adjustments and/or auxiliary aids or services) for this course must contact the Student Accessibility Resource Center on the first floor of the Downing Student Union in room 1074. Please do not request accommodations directly from the professor without a letter of accommodation from the Student Accessibility Resource Center. For further information on the Student Accessibility Resource Center please see <http://www.wku.edu/sarc/> or contact SARC at 270-745-5004 or [sarc@wku.edu](mailto:sarc@wku.edu).

### **Cheating/Plagiarism**

According to the student handbook: Any student who commits any act of academic dishonesty will receive from the instructor a failing grade in that portion of the coursework in which the act is detected or a failing grade in the course without possibility of withdrawal. Any student committing such acts in this class will receive a failing grade for the course. Further information on academic offenses, academic dishonesty, plagiarism, and cheating can be obtained from page 33 of the Western Kentucky University 2017-2018 Undergraduate Catalog.

### **WKU Title IX Sexual Misconduct/Assault Policy**

Western Kentucky University (WKU) is committed to supporting faculty, staff and students by upholding WKU's Title IX Sexual Misconduct/Assault Policy (#0.2070) at <https://wku.edu/eoo/documents/titleix/wkutitleixpolicyandgrievanceprocedure.pdf> and Discrimination and Harassment Policy (#0.2040) at [https://wku.edu/policies/hr\\_policies/2040\\_discrimination\\_harassment\\_policy.pdf](https://wku.edu/policies/hr_policies/2040_discrimination_harassment_policy.pdf). Under these policies, discrimination, harassment and/or sexual misconduct based on sex/gender are prohibited. If you experience an incident of sex/gender-based discrimination, harassment and/or sexual misconduct, you are encouraged to report it to the Title IX Coordinator, Andrea Anderson, 270-745-5398 or Title IX Investigators, Michael Crowe, 270-745-5429 or Joshua Hayes, 270-745-5121. Please note that while you may report an incident of sex/gender-based discrimination, harassment and/or sexual misconduct to a faculty member, WKU faculty are "Responsible Employees" of the University and MUST report what you share to WKU's Title IX Coordinator or Title IX Investigator. If you would like to speak with someone who may be able to afford you confidentiality, you may contact WKU's Counseling and Testing Center at 270-745-3159.

### **The Learning Center (TLC)**

Should you require academic assistance with your WKU courses, The Learning Center (located in the Downing Student Union, A330) provides free supplemental education programs for all currently enrolled WKU students. TLC @ DSU offers certified, one-on-one tutoring in many subject areas and academic skill areas by appointment or walk in. Online tutoring is offered to distance learners. TLC is also a quiet study area (with side rooms designated for peer-to-peer tutoring) and offers a computer lab to complete academic coursework. Additionally, TLC has satellite locations. Each satellite location is a quiet study center and is equipped with a small computer lab. For further information call (270) 745-6254 or see <http://www.wku.edu/tlc>

## Tentative Schedule

Please note that the chapters under the "Reading Assignments" column correspond to the 5<sup>th</sup> edition of the textbook. The chapter titles associated with the course textbook are listed under the "Activity or Topic" column; the chapter titles and ordering of chapters are essentially the same for the 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, and 7<sup>th</sup> editions of the course textbook. **Please note that there are no physical or Zoom meeting times for this course. The dates are listed as recommendations on when you should study on a particular topic; you may study however you see fit. The Dates should also be used to help you schedule time to complete quizzes and exams; all of which are not proctored (you do NOT need to make an appointment at the testing center to complete quizzes and exams).**

Week	Date	Activity or Topic	Reading Assignments	<u>Tentative</u> Quiz/Exam Dates
1	Mon, May 09, 2022	Course Introduction	Syllabus	
	Tue, May 10, 2022	What is Agricultural Economics?	Penson et al. Ch. 1	
	Wed, May 11, 2022	Prominent Economists & the History of Agricultural Economics	Lecture Notes & Runge (2006)	
	Thu, May 12, 2022	Role of Government and Agriculture	Lecture Notes & Course Video	
	<b>Fri, May 13, 2022</b>	The U.S. Food and Fiber Industry	Penson et al. Ch. 2	<b>Quiz #1</b>
2	Mon, May 16, 2022	The U.S. Food and Fiber Industry	Penson et al. Ch. 2	
	Tue, May 17, 2022	The Theory of Consumer Behavior	Penson et al. Ch. 3	
	Wed, May 18, 2022	The Theory of Consumer Behavior	Penson et al. Ch. 3	
	Thu, May 19, 2022	Consumer Equilibrium and Demand	Penson et al. Ch. 4	
	<b>Fri, May 20, 2022</b>	Consumer Equilibrium and Demand	Penson et al. Ch. 4	<b>Quiz #2</b>
3	Mon, May 23, 2022	Measurement and Interpretation of Elasticities	Penson et al. Ch. 5	
	Tue, May 24, 2022	Measurement and Interpretation of Elasticities	Penson et al. Ch. 5	
	<b>Wed, May 25, 2022</b>	<b>Mid-Term Exam</b>	<b>All the above</b>	<b>Mid-Term Exam</b>
	Thu, May 26, 2022	Introduction to Production and Resource Use	Penson et al. Ch. 6	
	Fri, May 27, 2022	Introduction to Production and Resource Use	Penson et al. Ch. 6	
4	<b>Mon, May 30, 2022</b>	<b>Observance of Memorial Day - Commemorates those who died while serving in the military for the USA</b>	<b>None</b>	
	Tue, May 31, 2022	Economics of Input and Product Substitution	Penson et al., Ch. 7	
	<b>Wed, Jun 01, 2022</b>	Economics of Input and Product Substitution	Penson et al., Ch. 7	<b>Quiz #3</b>
	Thu, Jun 02, 2022	Market Equilibrium and Product Price: Perfect Competition	Penson et al., Ch. 8	
	Fri, Jun 03, 2022	Market Equilibrium and Product Price: Perfect Competition	Penson et al., Ch. 8	
5	Mon, Jun 06, 2022	Market Equilibrium and Product Price: Imperfect Competition	Penson et al. Ch. 9	
	Tue, Jun 07, 2022	Market Equilibrium and Product Price: Imperfect Competition	Penson et al. Ch. 9	
	<b>Wed, Jun 08, 2022</b>	Introduction to Macroeconomics	Lecture Notes & Penson et al. Ch. 12-15	<b>Quiz #4</b>
	Thu, Jun 09, 2022	Introduction to Macroeconomics	Lecture Notes & Penson et al. Ch. 12-15	
	<b>Fri, Jun 10, 2022</b>	<b>Final Exam</b>	<b>All the above</b>	<b>Final Exam</b>

Please note that the above is a tentative schedule. We will do our best to stick to the schedule; however, unforeseen events do happen that may alter the schedule. It is your responsibility to check the Blackboard announcements, your WKU e-mail, or Remind Texts to stay informed about any potential changes to the schedule.

Last Revision: Wednesday, May 11, 2022