Title: Agricultural Economics and Marketing
Abbreviation and Number: AGRI213 AB Paper No.: 14-89
School: Bahamas Agricultural Marine Science Institute
Department: Biology
Credits: 3

Course Sequence: ( ) Fall ( ) Spring (X) Fall and Spring

Hours Per Week: (3) Lecture ( ) Seminar ( ) Laboratory ( ) Studio ( ) Kitchen
( ) Other (Specify)

Pre-requisite(s): Second-year standing
Co-requisite(s): None

COURSE DESCRIPTION
Students focus on the application of economic principles to agriculture. They examine factors and costs of production and the marketing of agricultural products.

SPECIFIC OBJECTIVES
Upon successful completion of this course, students will be able to
1) Discuss factors of production;
2) Identify the various costs of production;
3) Analyse the concepts of profit maximisation, loss minimisation;
4) Discuss elasticity of demand, income and supply with and suppliers; and
5) Analyse the effects of demand and supply on market equilibrium.

COURSE CONTENT
I. Factors of production
   A. Land
      i. Resources
      ii. Potential
      iii. Tenure
   B. Agricultural labour force
      i. Geographical variations
      ii. Variations in the 20th century
      iii. Types of farm labour
      iv. Labor efficiency
   C. Capital
      i. Types of capital resources
      ii. Types of credit
      iii. Source of credit to farmers in The Bahamas
      iv. Methods of calculating depreciation

II. Single variable input production function
   A. Determination of optimum variable input
   B. Adjustment in optimum variable input with changes in the price of input and output

III. Cost of production and revenue
   A. Identification of costs
      i. Explicit
ii. Implicit
iii. Opportunity costs

B. Classification of costs
i. Production costs
ii. Average costs
iii. Costs in relation to output

C. Revenue and profit
i. Total revenue
ii. Marginal revenue
iii. Pure or economic profit

IV. Cost and revenue relationships
A. Total revenue versus total cost approach
B. Marginal revenue versus marginal cost approach

V. Consumer Behaviour
A. Demand
B. Law of demand
C. Demand schedule
D. Demand curve
E. Shifts in demand
F. Diminishing marginal utility
G. Price elasticity demand
H. Income elasticity of demand
I. Cross elasticity of demand

VI. Producer Behaviour
A. Supply
B. Law of supply
C. Supply schedule
D. Supply curve
E. Shifts in supply
F. Price elasticity of supply

VII. Market price, equilibrium and disequilibrium
A. Price determination
B. Equilibrium in the market
C. Disequilibrium in the market (surplus and shortage)
D. Effects of changes in demand and supply on market equilibrium

VIII. Market structure and marketing of agricultural commodities
Market conditions
i. Perfect competition
ii. Imperfect competition
IX. Marketing
A. Processes involved in marketing of agricultural commodities
   i. Storage
   ii. Transportation
   iii. Processing
B. Marketing of agricultural products
   i. Produce exchange
   ii. Packing houses operation
   iii. Export markets

ASSESSMENT
Assignments………………………….…….. 25%
Mid-semester Examination…………….….. 15%
Project……………………………………….. 25%
Final Examination………………………….. 35%
Total……………………………….………..100%

REQUIRED TEXTS

SUPPLEMENTARY READINGS/MATERIALS
The Bahamas Agricultural and Industrial Corporation (1996). 100 sow farrow to finish operation.
The Bahamas Ministry of Agriculture Annual Reports.

JOURNALS
Agricultural Economics
European Review of Agricultural Economics
Review of Agricultural Economics

WEBSITES
www.aaea.org
www.aes.ac.uk
www.ers.usda.gov
www.iaae-agrcon.org
usda.mannlib.cornell.edu/usda.html