Quantitative Food and Agricultural Policy Analysis

AGEC 5623 Spring 2016

Meets: Tu & Th 9:30AM – 10:45AM Room: AFLS D113

Instructor Information:
Dr. Jeff Luckstead Agricultural Building Room 223 479-575-3253 jluckste@uark.edu

Office Hours: Tu & Th 3:00PM – 5:00PM or by appointment

Description in Course Catalog:
Introduction to applied analysis of domestic and international food and agricultural policies using quantitative tools. This course will provide hands-on experience with simulation modeling in microeconomics. An emphasis is place on policy analysis through computer application with theoretical underpinnings.

Textbooks and Other Required Materials:

There is no required text book, required reading will be assigned to students through blackboard.
Below is suggested reading:

J.F. Francois and K.A Reinert. Applied Methods for Trade Policy Analysis: A Handbook.
J.R. Markusen. Simulation Modeling in Microeconomics

Course Home Page and Blackboard:
Course materials will be available through Blackboard, which you can reach http://lean.uark.edu.

Grading: According to the UA instructions for reporting final grades, they generally will reflect the following:

A – Outstanding achievement (90%+)
B – Good achievement (80%+)
C – Average achievement (70%+)
D – Poor, but passing work (60%+)
F – Failure, given for unsatisfactory work (any grade below 60%)

Grade breakdown:

Homework	60%
Quizzes	30%
Research Proposal	10%
Total	**100%**

Homework:
Homework will involve solving model and preforming policy analysis using GAMS. I expect all student to turn in their own homework assignments.

Quizzes:
There will be a quiz after each section.

Research proposal:
Student are expected to complete a research proposal based on their thesis or one of the topics learned in class. The proposal will be 2 pages double spaced, 12 pt font, and 1 in margins. The report should include an (1) an introduction that clearly states the objective(s) and (2) a description of the model and methods used. I will grade based on content and professionalism of the report.

Lab Time:
AFLS B-108 for Thursdays from 4:00 pm to 4:50 pm, January 21 - May 5.

Cell Phones:
Please turn off cell phones during class. The use of your phone is a distraction to me and other students in the class.

Students with Disabilities:
If you want to request reasonable accommodations for this class due to a disability, you must first register with the Center for Educational Access (CAE) and hand-deliver an official Accommodation Letter from the CAE to me during my office hours or after class.

Academic Dishonesty:

"As a core part of its mission, the University of Arkansas provides students with the opportunity to further their educational goals through programs of study and research in an environment that promotes freedom of inquiry and academic responsibility. Accomplishing this mission is only possible when intellectual honesty and individual integrity prevail."

"Each University of Arkansas student is required to be familiar with and abide by the University's 'Academic Integrity Policy' which may be found at http://provost.uark.edu/. Students with questions about how these policies apply to a particular course or assignment should immediately contact their instructor."

Inclement Weather:
If the University is open, we will have class. See UA Inclement Weather Policy at http://emergency.uark.edu/11272.php. As the instructor, I reserve the right to cancel class due to inclement weather. Students will be notified by email and blackboard if this is the case.

Dropping this Class:
Situations can arise that warrant dropping a class. However, please see me before you drop the class so we can properly assess whether this is in your best interest (things may not be as bad as you think). Please do not drop without talking to me first.

I look forward to w**orking with all of you this semester!**

Course Outline

Section 1: Getting Started in GAMS

Section 2: Basic Analysis

- **Autarky and Free Trade**
- **Welfare**
- **Transport costs**

Section 3: General Equilibrium and Comparative Advantage

- **Basic General Equilibrium analysis**
- **Heckscher-Ohlin**
- **Ricardian Analysis**

Section 4: Trade Policy Analysis

- **Tariffs**
- **Quotas**
- **Price guarantees**
- **Proportional Quotas**
- **Production Subsidies**
- **Voluntary Import Quota**
- **Export Expansion**

Section 5: Bilateral Trade Models

- **Non-Spatial Equilibrium Models**
- **Spatial Equilibrium Models**

Section 6: Farm Household Model

- **Farm-level model**
- **Industry-level model**

Section 7: Imperfect Competition

- **Monopoly**
- **Oligopoly**
- **Monopolistic Competition**
- **Increasing Returns to Scale**

Useful Information Available on the Web

SOURCES OF SUPPLEMENTARY CLASS MATERIAL

Economic Report of the President	http://www.gpoaccess.gov/eop/index.html
Citizen's guide to the federal budget	http://www.gpoaccess.gov/usbudget/citizensguide.html
Monetary Policy Primer	http://www.atl.frb.org/publica/eco-rev/rev_abs/97er/q2/zha.pdf
Purpose and Function of The Federal Reserve System	http://www.federalreserve.gov
Understanding Rural America	http://www.ers.usda.gov/publications/aib710/

ECONOMIC AND FINANCIAL NEWS AND INFORMATION

CNN Financial News Service	http://money.cnn.com/
The Dismal Scientist	http://www.economy.com/dismal/
Economics Statistics Briefing Room at the White House	http://www.whitehouse.gov/infocus/economy/
updated info on interest rates, employment, output, prices, production, etc	
Federal Reserve Banks	http://www.federalreserve.gov
Federal Reserve Board of Governors	http://www.federalreserve.gov/bios/
The Motley Fool	http://www.fool.com
Investment advice and more	
Yahoo! Finance (Stock quotes and more)	http://finance.yahoo.com/
Investor Words	http://www.investorwords.com
American Journalism Review	http://www.newslink.org/statnews.html
lists all newspapers in the US that are available on the web	
Arkansas papers on the web	http://www.newslink.org/arnews.html
Businessweek Magazine	http://www.businessweek.com/
New York Times	http://www.nytimes.com/
Wall Street Journal Interactive Edition	http://www.online.wsj.com/public/us/
check the links to free sites concerning stock quotes, barrons, careers	

ECONOMIC DATA AND STATISTICS

US Statistical Abstract	http://www.census.gov/prod/www/statistical-abstract.html
Bureau of Economic Analysis	http://www.bea.gov/
National Agricultural Statistic Service (NASS)	http://www.nass.usda.gov/
obtain email subscriptions to over 50 ERS, NASS and WAOB pubs.	
National Bureau of Economic Research	http://www.nber.org/
SLPP Econ Development Web site	http://www.hhh.umn.edu/centers/slp/
US Census Bureau	http://www.census.gov
US State fact sheets	http://www.ers.usda.gov/StateFacts/
USDA Agricultural Fact Book 2001-2002	http://www.usda.gov/factbook/

OTHER

Democratic National Committee	http://www.democrats.org/index.html
Economics Assistance Site	http://econweb.com
Links for Ag Economists	http://www.aaea.org
Links for economics data	http://www.helsinki.fi/WebEc/webecc8d.html
Links to resources for economists on the web	http://rfe.org
Nobel prize in economics	http://nobelprize.org/nobel_prizes/economics/
Republican National Committee	http://www.rnc.org/
Univ of Ark page offering links for economists	http://agribus.uark.edu
US Senate	http://www.senate.gov/
US House of Representatives	http://www.house.gov/