

FRE 505 (1.5) Agricultural and Resource Policy Analysis – Policy and Project Evaluation

Course Outline: 2023

Class Time: Tuesday, Thursday: 12:30-14:00 PM

Room: MCML 154

Instructor

Rick Barichello

Office: 339 MacMillan

Phone: (604) 822-3473

Email: rick.barichello@ubc.ca

Office Hours: TBD

Prerequisite

FRE 502: Food Market Analysis or,

FRE 501: Commodity Markets and Price Analysis

Description

This course introduces students to the use of two common evaluation tools for government policies and projects, the Policy Analysis Matrix (PAM) and Cost-Benefit Analysis (CBA). The PAM is focused on policies and CBA on investment projects. Both involve distinguishing between private and social (or economic) profitability, and both involve data collection at the micro (farm or project) level. Substantial attention is given to understanding factor markets and related institutions to enable quality data collection. Case studies are used.

Learning Objectives: by the end of the course students will be able to:

1. Master the concepts in the PAM and CBA
2. Understand the type of data required for each.
3. Identify key elements of local factor markets in order to collect appropriate data.
4. Apply the PAM and CBA in real life settings with actual data.
5. Handle common difficulties or barriers to obtaining high quality data, and develop ways to overcome them.

Class Format

12 lectures of 1.5 hours, twice a week for 6 weeks.

Course Requirements

Your grade shall be determined as follows

Requirements	Date	Percent of Grade
Problem sets (2): 7%, 13%	(1) March 27; (2) April 5	20 %
Class Quizzes (2) @ 7%	(1) March 14; (2) March 21	14 %
Final Exam	TBD	54 %
Policy Brief (1)	April 28	12 %

In-class Quizzes and Problem Sets

The quizzes (PAM) and problem sets (CBA) will allow an opportunity to use the Policy Analysis Matrix and Cost Benefit Analysis) with real world information. These applications will help everyone understand the types of data that are required for each analytical tool, including key features of local output and factor markets that can guide one in collecting the appropriate data.

Policy Brief

The policy brief will be a 1-page summary of the results of either PAM and CBA analyses, focusing on policy decisions or investment projects of your choice. They will provide practice in communicating results of your analyses to help policy makers understand your analysis and then choose better policies.

Final Exam

The final exam will be comprehensive (it shall cover all material taught in class), and will last two hours. It will take the form of short answer and longer answer questions. This could include calculations, written explanations, and the manipulation of supply and demand models. Exams must be taken at the scheduled times unless there is a time conflict with another exam, serious illness, or an emergency. You must validate with documentation the reason(s) why you will be unable to take any exam.

Academic Dishonesty

Please review the UBC Calendar “Academic regulations” for the university policy on cheating, plagiarism, and other forms of academic dishonesty. **Academic dishonesty will be dealt with very seriously in this course.**

Online Course Material

Available at Canvas: <http://www.canvas.ubc.ca>. You are required to regularly log in to your course page for FRE 505. Your syllabus, course-lecture slides, additional material, announcements, assignments, and grades will be available.

Course Outline and Readings

How to use this course outline: Course outlines are generally a collection of papers, and topics we cover in policy and project evaluation. Wherever possible a stable link to the paper is provided. While some of these links will work anywhere, many of them are digitally protected requiring a subscription. You can access this material by logging in through your account at the UBC library, or on any computer connected via Ethernet on the UBC network. For some articles no link is provided. If so, searching for the article via the UBC library gives access to its electronic version.

Planned Lecture Schedule

Lecture 1a and Lec 1b Feb 28	Overall Introduction; Intro to PAM, including Field Research Methods <ul style="list-style-type: none"> E. Monke and S.R. Pearson 1989, <i>The Policy Analysis Matrix for Agricultural Development</i>, First Edition. Cornell: Cornell University Press.
Lecture 2 Mar 2	Factor Market Estimation: Land
Lecture 3 Mar 7	Factor Market Cost Estimation: Labour
Lecture 4 Mar 9	Factor Market Cost Estimation: Capital, Credit + PAM Case Study, Empirical Application, calculating PAMs Yao, Shujie, 1997, "Rice Production in Thailand Seen Through a Policy Analysis Matrix," <i>Food Policy</i> , Vol. 22, No.6, pp. 547-560
Lecture 5 Mar 14	Currency Devaluation PAMs
Lecture 6 Mar 16	An Introduction to Project Evaluation (Benefit Cost Analysis) <ul style="list-style-type: none"> Jenkins G. P, C. Y. K Kuo and A.C. Harberger, <i>Cost-Benefit Analysis for Investment Decisions</i>. (2011)
Lecture 7 Mar 21	Cases in Cost Benefit Analysis <ul style="list-style-type: none"> Glenn P. Jenkins and George Kuo, 1998. Buenos Aires – Colonia Bridge Project. Financial and Economic Appraisal. International Institute for Advance Studies, Inc.
Lecture 8 Mar 23	Rubber Replanting Cash Flows: Intro comments on Community Pastures in BC (to help with homework 1)
Lecture 9 Mar 28	Project Evaluation Case <ul style="list-style-type: none"> Case Study: Ethiopia Honey CBA (Intro)
Lecture 10 Mar 30	Project Evaluation Case. <ul style="list-style-type: none"> Ethiopian Honey CBA, cont.
Lecture 11 Apr 4	Project Evaluation Case. <ul style="list-style-type: none"> Case Study: Vietnamese Electricity Investments
Lecture 12 Apr 6	Case Study: Community Pastures in BC (cont; Solutions)
Lab: TBA	Testing various scenarios, using rubber replant and community pasture cash flow examples

University policies

UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic standards in all of their actions. Details of the policies and how to access support are available on the UBC Senate website.

Academic Accommodation for Students

The University accommodates students with disabilities who have registered with the Disability Resource Centre. The University also accommodates students whose religious obligations conflict with attendance or scheduled tests or exams. Other absences for varsity athletics, family obligations or other similar commitments are not part of University policy and students should not assume that they would be accommodated. Academic accommodations help students with a disability or ongoing medical condition overcome challenges that may affect their academic success. Students requiring academic accommodations must register with Access & Diversity. A&D will determine that student's eligibility for accommodations in accordance with Policy 73: Academic Accommodation for Students with Disabilities. Your instructors do not determine academic accommodations, however, your instructor may consult with Access and Diversity should the accommodations affect the essential learning outcomes of a course. If you have a pressing issue those conflicts with an exam, you should discuss this with your instructor as soon as possible. Refer to the UBC Calendar for details of 'academic concession'.

Academic Integrity

The academic enterprise is founded on honesty, civility, and integrity. As members of this enterprise, all students are expected to know, understand, and follow the codes of conduct regarding academic integrity.

At the most basic level, this means submitting only original work done by you and acknowledging all sources of information or ideas and attributing them to others as required. This also means you should not cheat, copy, or mislead others about what is your work.

Violations of academic integrity (i.e., misconduct) lead to the breakdown of the academic enterprise, and therefore serious consequences arise and harsh sanctions are imposed. For example, incidences of plagiarism or cheating may result in a mark of zero on the assignment or exam and more serious consequences may apply if the matter is referred to the President's Advisory Committee on Student Discipline. Careful records are kept in order to monitor and prevent recurrences.

For International Students - Issue of controversial topics in online learning

During this pandemic, the shift to online learning has greatly altered teaching and studying at UBC, including changes to health and safety considerations. Keep in mind that some UBC courses might cover topics that are censored or considered illegal by non-Canadian governments. This may include, but is not limited to, human rights, representative government, defamation, obscenity, gender or sexuality, and historical or current geopolitical controversies. If you are a student living abroad, you will be subject to the laws of your local jurisdiction, and your local authorities might limit your access to course material or take punitive action against you. UBC is strongly committed to academic freedom, but has no control over foreign authorities (please visit <http://www.calendar.ubc.ca/vancouver/index.cfm?tree=3,33,86,0> for an articulation of the values of the University conveyed in the Senate Statement on Academic Freedom).

Thus, we recognize that students will have legitimate reason to exercise caution in studying certain subjects. If you have concerns regarding your personal situation, consider postponing taking a course with manifest risks, until you are back on campus or reach out to your academic advisor to find substitute courses. For further information and support, please visit: <http://academic.ubc.ca/supportresources/freedom-expression>

Copyright

All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the Course Instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline.

All class sessions will be recorded and posted on Canvas for the use of those in class.

Version: Jan 4th, 2023