AGEC 3333: Agricultural Marketing & Price Analysis

Fall Semester 2016

Professor: Rodney Beard

Class Meets: Monday and Wednesday: 14:00 – 15:50,

Monday – Lecture Room L329
Wednesday – Lab class L329

Office Hours: Tuesday 10:00-12:00 ICB Room 315, and by appointment.
Virtual office hours: on Piazza (https://piazza.com/cau.edu.cn/fall2016/agec3333/home
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Supply, demand and price determination within the institutional environment of agricultural commodity markets. The roles provided by government intervention, marketing agreements, and cooperatives in agricultural markets. Graphical and statistical analysis of commodity market data.

Prerequisites: AGEC 1114, STAT 2023, and AGEC 3213 (permissible if concurrently with AGEC 3213).

Course Objectives

The major purpose of this class is to understand how markets work, and how people and firms make decisions in a marketplace. Thus, much time will be spent learning economic theory as it relates to agriculture. This requires the use of logical reasoning, graphs, and algebra. We will also work on understanding mathematical concepts and computer tools you may need in subsequent courses (and, of course, in your career as well). For example, exercises assignments will make use of Jupyter notebooks to solve models and produce graphs and do basic analyses. Since you are taking this course, I will assume that you plan to become a professional in the agricultural industry and therefore a majority of the topics will relate to agriculture.

After completing the course, students should be able to:

1) Understand how markets work and the importance of markets for the farm firm and agribusiness

2) Understand pricing principles

3) Be able to analyse simple economic models of agricultural marketing and pricing

4) Be able to analyse agricultural marketing and price data

5) Be familiar with computational tools for analyzing agricultural markets and prices

Required Textbook: I will base the course around James Vercammen, *Agricultural Marketing: Structural Models for Price Analysis*, Routledge, 2011.

Attendance and participation:

Attendance will be extremely important to successful performance in this course. Good class notes, and the review of those notes are the essential requisites for success in this class. 10% of the course grade will be allocated to participation. This means active participation.

Assessment:

Participation 10%
Lab exercises (Coursework) 40%
Mid-term exam 20%
Final Exam 30%

Mid-term and Final Exam

There will be one two-hour mid-term exam 20% and a final comprehensive exam 30%, consisting of short answer question and calculation problems. Both exams will consist of short answer questions and problems. No make-up exams will be given unless arrangements are made with the instructor.

Grading

Letter grades will be assigned based on your final numerical average in the class based on the following percentage scale (subject to instructor adjustment):

A = 4.0 (90-100)
A **-** **=** 3.7 (85-89)
B + = 3.3 (82-84)
B = 3.0 (78-81)
B - = 2.7 (75-77)
C + = 2.3 (72-74)
C - = 1.5 (64-67)
D = 1.0 (64-67)
F = 0 (below 60)

Feel free to discuss your performance and standing in the class at any time with the instructor.

Academic Integrity

Students are expected to know, understand and comply with the ethical standards of the university. In addition, students have the obligation to inform the appropriate official of any acts of academic dishonesty by other students of the university. Academic dishonesty is defined as **a student's use of unauthorized assistance with intent to deceive** an instructor or other such person who may be assigned to evaluate the student's work in meeting course and degree requirements. Examples of academic dishonesty include:

Plagiarism

Plagiarism is the use of another person's distinctive ideas or works without acknowledgement. The incorporation of another person's work into one's own requires appropriate identification and acknowledgement, regardless of the means of appropriation. The following are considered to be forms of plagiarism when the source is not noted:

- **Word for word copying** of another person's ideas or works
- **The mosaic** (interspersing of one's own works here and there while, in essence, copying another's work)
- **The paraphrase** (the rewriting of another's work, yet still using their fundamental idea or theory)
- **Fabrication** (invention of or counterfeiting of sources)
- **Submission** of another's work as one's own
- **Neglecting quotation marks** on material that is otherwise acknowledged.

Acknowledgement is not necessary when the material used is common knowledge (Common knowledge means that everyone know that everyone knows that everyone knows..the material (Fagin, Halpern, Moses and Vardi, *Reasoning about knowledge*, The MIT Press, 1995)).

Cheating

Cheating involves the **possession, communication or use of information, materials, notes, study aids, or other devices not authorized** by the instructor in any academic exercise, or communication with another person during such an exercise. Examples of cheating are:

- Copying from another's paper or receiving unauthorized assistance from another during an academic exercise or in the submission of academic material
- Using a calculator when its use has been disallowed
- Collaborating with another student or students during an academic exercise without the consent of the instructor

Fabrication

Fabrication involves inventing or counterfeiting information, i.e. creating results not obtained in a study or laboratory experiment. Fabrication, on the other hand , involves the

deliberate alteration or changing of results to suit ones needs in an experiment or other academic exercise.

Disabilities

If you have any condition, such as a physical or learning disability, that will make it difficult for you to carry out your work as outlined here or that will require academic accommodations, please notify the instructor as soon as possible and/or contact Student Disability Services.

Lab classes:

These will be held on the Thursday. We will work on class exercises in the second class (lab class) you should bring your laptop computers to this class as you will need them to do the exercises. These exercises will consist of a set of pre-prepared interactive notebooks (Jupyter notebooks, see http://jupyter.org/) that you should work through. These notebooks are accessible from the class webpage on Moodle or using the QR codes in the course outline below. Or on my Jupyterhubserver (a link will be provided later) for which a login and password will be provided to each of you in class.

If you wish to install Jupyter on your own computer (which we may have to do depending on Wi-Fi strength) you can do so by installing Anaconda which can be downloaded from https://www.continuum.io/downloads
Versions for Windows, OS/X and Linux are available.

Webpage and online materials:

The class webpage may be found on Moodle, from Moodle you will find links to any online resources we will use in class. For this course it will mostly be Piazza on which links to specifc lecture materials and the exercise notebooks will be found.

This term we will be using Piazza for class discussion. The system is highly catered to getting you help fast and efficiently from classmates, the TA, and myself. Rather than emailing questions to the teaching staff, I encourage you to post your questions on Piazza. If you have any problems or feedback for the developers, email team@piazza.com.
Find our class page at: https://piazza.com/cau.edu.cn/fall2016/agec3333/home

To access Piazza you first need to sign-up which can be done here https://piazza.com/cau.edu.cn/fall2016/agec3333 or by scanning the QR–code:

Handouts will be made available for downloading from the course webpage. The handouts supplement lectures and their contents may be covered on exams.

Week	Lecture (Monday)	Lab (Wednesday)	Readings
1	Introduction Lecture notes 1:  Handout:  Lecture recording (uploaded after class): 	Introduction to software for lab (Bring your own computer)	Vercammen, Ch.1
2	Prices over space I Lecture notes 2:	Lab exercise	Vercammen, Ch. 2

	Handout:  Lecture recording (uploaded after class): 		
3	Prices over space II Lecture continues Lecture recording (uploaded after class): 	Lab exercise Continues	Vercammen, Ch. 2

4	Holiday	Holiday	
5	Prices over time I: Storage Lecture notes 3:  Handout:  Lecture recording (uploaded after class): 	Lab exercise 	Vercammen, Chapter 3
6	Prices over time II: Storage Lecture continues Lecture recording (uploaded after class):	Lab exercise continues	Vercammen Chapter 3

7	Prices over time: Commodity futures Lecture notes 4: Handout: Lecture recording (uploaded after class):	Lab exercise	Vercammen Chapter 4
8	Revision	Practice exam	
9	Mid-term exam		
10	Prices over form I: Quality	Lab exercise	Vercammen Chapter 5

	Lecture notes 5:  Handout:  Lecture recording (uploaded after class): 		
11	Prices over form II: Quality Lecture continues Lecture recording (uploaded after class): 	Lab exercise Continued	Vercammen Chapter 5

12	Price linkages across commodity markets Lecture notes 6:  Handout:  Lecture recording (uploaded after class): 	Lab exercise 	Vercammen Chapter 6
13	Marketing margins in vertical supply chain Lecture notes 7: 	Lab exercise 	Vercammen Chapter 7

	Handout:  Lecture recording (uploaded after class): 		
14	Auctions and competitive Bidding Lecture notes 8:  Handout:  Lecture recording (uploaded after class):	Lab exercise 	Vercammen Chapter 8

			
15	Bargaining in bilateral exchange Lecture notes 9:  Handout:  Lecture recording (uploaded after class): 	Lab exercise 	Vercammen Chapter 9
16	Conclusion Lecture notes 10:	Finish Labs	

	 Handout:  Lecture recording (uploaded after class): 		
17	Review Week	No classes	
18	Final Exam		