

Public Policy and the Agribusiness Firms
AEB 6225 Section 8835
Fall 2015

Instructor: Dr. Jaelyn D. Kropp, Assistant Professor
Office: 1157 McCarty Hall A
Phone: 352-294-7631
Email: jkropp@ufl.edu
I do not utilize the e-mail tools within E-Learning Canvas.

Location: Tuesdays periods 5 & 6 (11:45am – 1:40pm) MCCB 3124
Thursdays period 6 (12:50pm – 1:40pm) MCCB 3124

Office Hours: Tentatively Tuesdays 3:00pm-4:00pm, Wednesdays 1:30pm-3:00pm or by appointment

Administrative Assistant: Jessica Herman (jherman@ufl.edu)
Office: 1170 McCarty Hall A

Credits: 3

Prerequisites:

It assumed that students are familiar with basic microeconomic analysis and elementary calculus.

Required Materials:

i>clicker 2 + free REEF access ISBN: 1498601634 or REEF polling application

Houck, J. *Elements of Agricultural Trade Policies*, Waveland Press (1992). Note: This book is out of print. I have a copyright release and will provide you with a pdf version of the relevant chapters.

Knutson, R., J. Pen and B. Flinchbaugh, *Agricultural and Food Policy*, 6th edition, Pearson Prentice Hall (2007).

Older editions of the book may suffice. However, students are responsible for ensuring that they are studying the correct material.

Canvas:

There is a Canvas web-page for this course. To access the website, you will need your Gatorlink username and password. Canvas can be accessed via <https://lss.at.ufl.edu/>. If you are having difficulties accessing the website, please contact the UF Computing Help Desk directly by calling (352) 392-HELP or via e-mail helpdesk@ufl.edu. You will need your UFID when contacting them.

Course Description:

This course focuses on understanding the policy-development process and analyzing domestic and international policies and their influence on the decisions and success of agribusiness firms. Emphasis will be placed on developing a policy perspective and an understanding of the significance of policy dynamics. Various policy environments, drivers, mechanisms and processes will be analyzed. The economic and political forces underlying policy formation and change will be examined. The impact of current policies and policy issues on agribusiness firms, the relationship between policy signals and firm decisions, and the avenues for influencing the policy process will be explored. Policies considered include those associated with domestic agricultural price and income support, international trade, competition, the environment, food safety, biotechnology, country-of-origin labeling, traceability, economic development, agro-terrorism and globalization. U.S. policies are compared with those which influence agribusinesses in other countries.

Format:

Since AEB6225 is an *analytical* course, it will be delivered via traditional lectures. Theories and frameworks will be presented in class and we will discuss their *derivations* as well as *applications* to the ‘real world.’ Quantitative reasoning and analytical methods are used extensively. Therefore, basic knowledge of economic principles and concepts is necessary. Keeping up with news, in general, and agricultural policy news, in particular, is imperative to get the most out of your experience in this course.

This course will proceed at a fairly rapid pace. Therefore, it is expected that students keep up with the assigned readings, preferably before coming to class. Furthermore, the class will be designed such that classroom participation (not only attendance but also active participation) and individual study and preparation outside the classroom are necessary for learning and performing well in the exams. Lectures will cover the major points of assigned readings. However, unless otherwise told, students are required to read and understand all assigned readings.

Course objectives:

This course will provide an overview of issues relating to agricultural policy, international trade policy, globalization, economic development and political economy. The course will equip students with the tools necessary to analyze the impacts of agricultural policies on agricultural consumers and producers, agribusiness firms and international trade. The course will focus on the policies of the European Union and United States with an emphasis on U.S. agricultural policies. Thus the objectives of the class may be summarized as follows:

- 1) Develop the tools necessary to analyze past, current, and proposed agricultural policies.
- 2) Understand the major international organizations that influence agricultural policy.
- 3) Analyze the interaction between economic goals and social goals and evaluate the ability of agricultural policies to accomplish these goals.

Attendance Policy:

I accept students to attend all classes. Regular and punctual attendance at all classes is the responsibility of each student. In the event of an absence, it is the responsibility of the student to make up any resulting deficiencies.

I will inform the class in advance if I will not attend a particular class, in which case arrangements will be made for a substitute instructor or other alternatives. However, in case of an absence for which no advance arrangements have been made, students are authorized to leave after a 10-minute wait.

Grading:

Three in-class exams (20% each)	60%
Participation	10%
Three policies briefs (5% each)	15%
Presentation	5%
Homework assignments	<u>10%</u>
	100%

In general, late assignments will NOT be accepted. The instructor reserves the right to determine if a student shall be permitted to submit an assignment late (see excused absences and late assignment policy below).

In-class Exams:

There will be three in-class exams. All exams will be cumulative which an emphasis on the most recent material. The exams will consist of short-answer, essays, and analytical problem-solving questions.

Exam 1: Tuesday, September 22, 2015

Exam 2: Tuesday, October 27, 2015

Exam 3: Tuesday, November 24, 2015

Closed Book Exams:

All exams are closed book and closed notes. No formula sheets or any other aids are allowed. A simple calculator may be used. However, graphing calculators, cell phones, touch screen devices, tablets, laptops, or other devices with the capability to store formulae are not allowed. Sharing calculators during an exam is not allowed.

Exam Day Policy:

It is expected that all students be on time to exams. Please arrive early, if possible, to get seated and get your books/bags stowed away so that the exam can be started at the stated time.

Make-up Exams:

- Make-up exams are not given.
- Individuals absent in any exam will receive a score of **zero** (0) on that exam unless there is a valid, medically related, excuse for missing the exam.

- In order to be excused from an exam, you **must** notify the instructor in advance and secure the instructor's permission. Only acceptable reasons to request an excuse are:
 - Medical emergency (ordinary doctor's visit is not acceptable) that renders the student unable to take the test (proper documentation justifying the excuse will be required).
 - Significant personal or professional commitment (eligibility depends on instructor's judgment, and hence prior permission is a must).
 - Genuine family emergency (again, proper documentation/verification from parent/guardian will be needed).
- If a student is excused from an exam, the other exams will be re-weighted to 30% of the final course grade to count in place of the missed exam after adjusting for overall class performance.
- Any student **will not** be excused from more than one exam.
- University athletes are allowed to make-up exams missed due to official university sporting events pending ample WRITTEN notification in advance (at least 7 days prior to a scheduled exam). Club/recreational sports are not granted the same courtesy.

The proposed exam dates are presented in this course syllabus, so please plan your semester accordingly.

Class Participation:

Part of your participation grade is based on attendance. However, the majority of your participation grade will be based on active class participation.

REEF Polling by i>clicker will be used to encourage and track class participation. REEF Polling helps me to understand what you know, gives everyone a chance to participate in class, and allows you to review the material after class. You will need to create a REEF Polling account to vote in class using your laptop, smart phone, or tablet connected to the university's Wi-Fi.

I take academic honesty very seriously. Submitting votes for a fellow student violates the University's Honor Code. Violations of the Honor Code at the University of Florida will not be tolerated. If you are caught voting for another student or have votes in a class that you did not attend, you will be reported to the Dean of Students Office and disciplinary action will be taken.

In addition, to voting using REEF pooling, you will also be asked to complete concept cards/comments cards at the end of most classes. These cards help me to understand what you know and what topics need to be revisited during the next class.

I also expect you to actively participate in class discussions. Contributing to conversations in other classes and on the job is a critical skill. You can take steps to improve your participation. If you tend to be a non-participant, I encourage you to prepare questions or jot down a few key points before class and make an effort to speak up in class. If you tend to 'dominate' discussions, learn to let other people contribute.

Policy Briefs:

Each student will be required to complete three 5-page (max) typed (double spaced, 12pt font, one-inch margins throughout) policy briefs pertaining to topics covered in class. A detailed rubric for

each policy brief will be posted on the course website approximately two weeks before the policy brief is due. Briefs must be properly referenced and cited. Students are encouraged to use numerical data to support their arguments. While data and figures will enrich your policy brief, the 5 pages do NOT include lengthy data tables and figures; these would be in addition to the 5 pages. The title page does not count as part of the 5 page requirement. Citations should include only credible sources (not Wikipedia or other open source websites or blogs). Citations do not count as part of the 5 page requirement.

The purpose of these policy briefs is for you to display your mastery of the material covered in this course and how well you can synthesize these concepts via independent research. Students are welcomed to take an interdisciplinary approach to their topic by incorporating concepts from other Food and Resource Economics courses into their briefs and relating these concepts to the material covered in this course.

Presentations:

Each student will be required to give a 7-10 minute presentation on one of the policy briefs. The presentation should be professional in nature and should utilize PowerPoint. The purpose of the presentations is to trigger discussion on the topics by providing different perspectives. Note, that presentation length may be adjusted or students may be asked to present in groups such that the presentations fit within the allocated time. Necessary adjustments will be made in accordance with final course enrollment.

Attendance at all presentations is required. Out of courtesy and respect to your fellow classmates and students making presentation, arriving late on presentation days is not allowed and will result in the loss of all attendance points allocated for that day.

Homework:

There will be several homework assignments (approximately 4) to assist learning. Homework must be turned in by the due date. Homework turned in after the due date will not be accepted. Homework will not be accepted once the solutions have been posted. Student will generally have one week to complete assignments.

Excused Absences and Late Assignment Policy:

In order to be excused from class or be allowed to submit an assignment late, you **must** notify Dr. Kropp in advance and secure my permission. The only acceptable reasons to request an excuse are:

- Medical emergency (ordinary doctor's visit is not acceptable; proper documentation justifying the excuse will be required).
- Significant personal or professional commitment (e.g., field trip for another course; military duty; religious holidays; participation in official university activities such as music performances, athletic competition or debate; court-imposed legal obligations). Eligibility depends on instructor's judgment, and hence prior permission is a must. Students will not be excused from group presentations for such activities.
- Genuine family emergency (again, proper documentation/verification from parent/guardian will be needed).

Documentation must be submitted no later than the first day you return to class.

Should you experience a significant hardship/illness (e.g. diagnosis of a terminal/chronic disease of you or a close family member; e.g., depression; Crohn's disease, cancer, etc.) during the semester that negatively affects your performance in the course or has the potential to negatively affect your performance in the course, you must inform me as soon as possible such that we can make the appropriate accommodations.

Re-Grades:

If you feel that an error has been made in the grading of an assignment/exam, you are encouraged to submit the assignment/exam for a re-grade. Please note that the **entire** assignment/exam will be reviewed for accuracy.

Re-grade requests must be submitted no more than one week after the assignment/exam in question was returned to you. Please put the assignment in an envelope along with a typed explanation of the issue in question.

Text Messaging, Instant Messaging, Facebook, Smokeless Tobacco, Etc.:

Students caught engaging in these activities during class will receive a one percentage point penalty on their final class participation grade for **each** offense. *This policy will be strictly enforced.*

Final Grades:

<u>Grade</u>	<u>Range</u>
A	95 - 100
A-	90 - 94.99
B+	87 - 89.99
B	83 - 86.99
B-	80 - 82.99
C+	77 - 79.99
C	73 - 76.99
C-	70 - 72.99
D+	67 - 69.99
D	63 - 66.99
D-	60 - 62.99
E	0 - 59.99

If necessary, a curve may be added when calculating final grades. The curve will be determined based on current semester's students' performance.

Final grades will not be posted on the course website. Students may obtain their final course grade once grades have been posted by the University Registrar. I will not respond to emails or other

inquiries regarding grades between the final presentations and when final grades are posted by the registrar.

Grades and Grade Points:

For information on current UF policies for assigning grade points, see <https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

Academic Honesty:

As a student at the University of Florida, you have committed yourself to uphold the Honor Code, which includes the following pledge: “We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity.” You are expected to exhibit behavior consistent with this commitment to the UF academic community, and on all work submitted for credit at the University of Florida, the following pledge is either required or implied: "On my honor, I have neither given nor received unauthorized aid in doing this assignment."

It is assumed that you will complete all work independently in each course unless the instructor provides explicit permission for you to collaborate on course tasks (e.g. assignments, papers, quizzes, exams). Furthermore, as part of your obligation to uphold the Honor Code, you should report any condition that facilitates academic misconduct to appropriate personnel. It is your individual responsibility to know and comply with all university policies and procedures regarding academic integrity and the Student Honor Code. Violations of the Honor Code at the University of Florida will not be tolerated. Violations will be reported to the Dean of Students Office for consideration of disciplinary action. For more information regarding the Student Honor Code, please see: <http://www.dso.ufl.edu/sccr/process/student-conduct-honor-code>.

Software Use:

All faculty, staff and students of the university are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against university policies and rules, disciplinary action will be taken as appropriate.

Campus Resources:

Students experiencing crises or personal problems that interfere with their general well-being are encouraged to utilize the university’s counseling resources. The Counseling & Wellness Center provides confidential counseling services at no cost for currently enrolled students. Resources are available on campus for students having personal problems or lacking clear career or academic goals, which interfere with their academic performance.

- *University Counseling & Wellness Center, 3190 Radio Road, 352-392-1575, www.counseling.ufl.edu/cwc/*
 - Counseling Services
 - Groups and Workshops
 - Outreach and Consultation
 - Self-Help Library
 - Wellness Coaching

- *Career Resource Center*, First Floor JWRU, 392-1601, www.crc.ufl.edu/

Student with Disabilities Act:

The Disability Resource Center coordinates the needed accommodations of students with disabilities. This includes registering disabilities, recommending academic accommodations within the classroom, accessing special adaptive computer equipment, providing interpretation services and mediating faculty-student disability related issues. Students requesting classroom accommodation must first register with the Dean of Students Office. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the Instructor when requesting accommodation

0001 Reid Hall, 352-392-8565, www.dso.ufl.edu/drc/

Online Course Evaluation Process:

Student assessment of instruction is an important part of efforts to improve teaching and learning. At the end of the semester, students are expected to provide feedback on the quality of instruction in this course using a standard set of university and college criteria. These evaluations are conducted online at <https://evaluations.ufl.edu>. Evaluations are typically open for students to complete during the last two or three weeks of the semester; students will be notified of the specific times when they are open. Summary results of these assessments are available to students at <https://evaluations.ufl.edu/results>.

Tentative Course Outline:

The instructor reserves the right to change this outline as appropriate. Some chapters will be covered in their entirety, while we are only covering selected portions from others.

<i>Date</i>	<i>DOW</i>	<i>Topics</i>
Aug. 25	Tuesday	Administration, Objectives and Introduction (Knutson et al Chapter 1)
Aug. 27	Thursday	Rationale for Government Involvement in Ag (Knutson et al Chapter 2)
Sept. 1	Tuesday	The U.S. Policy Decision Process (Knutson et al Chapter 3)
Sept. 3	Thursday	U.S. Farm Policies – Introduction to Welfare Economics (Knutson et al Ch. 7)
Sept. 8	Tuesday	U.S. Farm Policies
Sept. 10	Thursday	U.S. Farm Policies
Sept. 15	Tuesday	Decoupled Payments, Infra-marginal Support and Cross-subsidization (de Gorter, Just and Kropp 2008; Just and Kropp 2013)
Sept. 17	Thursday	Rent Seeking Behaviors
Sept. 22	Tuesday	Exam 1
Sept. 24	Thursday	Geopolitical Centers of Influence (Knutson et al Chapter 4)
Sept. 29	Tuesday	GATT and WTO (Knutson et al Chapter 5)
Oct. 1	Thursday	Policy Brief 1 & Presentations
Oct. 6	Tuesday	Partial Equilibrium Analysis (Houck Chapters 4)
Oct. 8	Thursday	Protection by Importers (Houck Chapters 4-9)
Oct. 13	Tuesday	Protection by Importers (Houck Chapters 4-9)
Oct. 15	Thursday	Protection by Importers (Houck Chapters 4-9)
Oct. 20	Tuesday	Protection by Exporters (Houck Chapters 10-12)
Oct. 22	Thursday	Protection by Exporters (Houck Chapters 10-12)
Oct. 27	Tuesday	Exam 2
Oct. 29	Thursday	Tariff Rate Quotas and “Dirty Tariffication”
Nov. 3	Tuesday	Cotton Case, Crop Insurance and Potential Future Trade Disputes
Nov. 7	Thursday	Policy Brief 2 & Presentations
Nov. 10	Tuesday	Limited Resources & Environmental Policy (Knutson et al Chapter 8 & 9)
Nov. 12	Thursday	U.S. Ethanol Policy (TBA)
Nov. 16	Tuesday	Food Safety and Security Policy (Knutson et al Chapter 10)
Nov. 19	Thursday	Food Assistance and Nutrition Policy (Knutson et al Chapter 11)
Nov. 24	Tuesday	Exam 3
Nov. 26	Thursday	Thanksgiving Holiday
Dec. 1	Tuesday	Food Assistance and Nutrition Policy (Knutson et al Chapter 11)
Dec. 3	Thursday	Future of Agricultural and Food Policy (Knutson et al Chapter 12)
Dec. 8	Tuesday	Policy Brief 3 & Presentations, Wrap-up

**Other readings will be added

The above schedule, policies, procedures and assignments in this course are subject to change in the event of extenuating circumstances, by mutual agreement, and/or to ensure better student learning.