I. **Course Specifics**

   a. **Number and Title:** AGEC 447, “Food and Agricultural Price Analysis”

   b. **Description and Objectives**
      This course offers the student an understanding of forces that influence agricultural price movements and behavior. Initially, we will offer material on consumer and producer theory, and market demand and supply with their associated determinants. We then offer material on commodity futures and their use by agribusiness firms to reduce price risk. Next, is a review of simple and multiple regression which is followed by empirical estimation of commodity demand and supply relationships, and reduced-form, price-dependent equations that offer insight into price-making forces. Price determination under alternative market structures is reviewed and expanded.

   c. **Meeting time/place:** TR 2:30-3:35 PM/ AGLS Room 114

   d. **Prerequisites:** AGEC 314 and 317, and junior or senior classification.

II. **Instructor Information:**

   **Instructor:** David A. Bessler, Regents Professor
   **Office:** Room 373 B, AGLS (AgriLIFE Sciences Headquarters Building)
   **Telephone:** 979/845-3096
   **E-mail:** d-bessler@tamu.edu
   **Office Hours:** Available at most times, but please telephone or e-mail prior to arrival at my office (to be sure I’m in).

III. **Text:**

   **Not required:** Fuller, Stephen W., *Agricultural Economics 447 Class Notes;* unpublished notes. [Purchase Notes at Copy Corner in College Station.]

   **Additional Reference:**


IV. **Grades and Grade Determination:**

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<tr>
<th>Component</th>
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<tbody>
<tr>
<td>Exam I</td>
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<td>Exam II</td>
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<td>Exam III</td>
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<td>Homeworks</td>
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<td>Final</td>
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   If you wish to not take the final, I will use scores on exams I, II and III for the 80% of your
grade assigned to examinations (you may drop the final if you are happy with your previous scores).

The Final is Scheduled for Monday December 12 from 1-3 PM in room 114 AGLS Building (our Fall semester classroom).

Students with Disabilities: The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact the Department of Student Life, Services for Students with Disabilities in Room 126 of the Koldus Building so your professor can best accommodate your needs. The phone number is 845-1637.

V. Outline:

I. Demand, Supply, Equilibrium; Homeworks 1 and 2 and Exam I

II. Introduction to Futures Markets and Hedging; Homeworks 3 and 4 and Exam II

III. Empirical Estimation and Price Discovery; Homeworks 5 and 6 and Exam III

Homeworks 1 and 2 are tentatively due September 8 and September 22, respectively. Homeworks 3 and 4 are tentatively due October 13 and October 27, respectively. Homeworks 5 and 6 are tentatively due November 17 and November 29, respectively.

We should have Exam I the week of September 26 (this is a Monday so the exam should be on the 27 or 29); Exam II the week of October 31 (November 1 or 3); and Exam III the Week of November 28 (November 29 of December 1). [I will not be more explicit here on dates, as random (unplanned) events make forecasts imprecise (rule: the further we forecast into the future the wider (more imprecise) are our (well calibrated) bounds).]

I will put pdf lectures on E-learning the week they are delivered, as well as associated homeworks.
IV. **Scholastic Honesty and Classroom “rules”**
Cheating is not tolerated. If caught in the act, you automatically receive a zero on the paper in question (the grade for the paper will not, under any circumstances, be dropped from final grade calculations) and be reported to your academic advisor, Department head, and College Dean. See University rules governing cheating at [http://student-rules.tamu.edu/](http://student-rules.tamu.edu/)

**Use of Calculators During Examinations in the Department of Agricultural Economics**

Unless specifically authorized by an instructor, the use of all programmable calculators is prohibited during examinations and quizzes in Department of Agricultural Economics classes. That is, only simple, four-function (i.e., addition, subtraction, multiplication, and division) calculators may be used. Unauthorized use of a programmable calculator during an examination or quiz is considered cheating and will result in a grade of zero on the examination or quiz, assigning of a grade of an F in the course, and subsequent reporting of the incident to the Aggie Honor System Office.

Texas A&M University policies related to this issue are found on the Aggie Honor System Office’s web site, [http://www.tamu.edu/aggiehonor/](http://www.tamu.edu/aggiehonor/). Specific terms of significance include:

(a) Definition of cheating [http://www.tamu.edu/aggiehonor/acadmisconduct.htm]
   a. Cheating: Intentionally using or attempting to use unauthorized materials, information, notes, study aids or other devices or materials in any academic exercise.

(b) The “F” grade designation * [http://www.tamu.edu/aggiehonor/sanctions.html]
   a. THE “F*” GRADE DESIGNATION:
      A student who is assessed a grade of “F*” shall have it documented on his/her transcript with the notation “FAILURE DUE TO ACADEMIC DISHONESTY.” The grade of “F*” is intended to recognize a student for failing to uphold the values of academic integrity at Texas A&M University. The grade of “F*” shall be treated in the same way as an “F” for the purposes of calculating Grade Point Ratio and determination of academic class standing. A student who receives a grade of “F*” will be considered to be on “Honor Violation Probation” with the university for reasons of academic misconduct. A student who is on “Honor Violation Probation” is subject to the following restrictions:
      • Ineligibility to hold an office in any student organization recognized by the university or to hold any elected or appointed position within the university.
      • Ineligibility to represent the university to anyone outside the university community in any way, including representing the university at any official function, intercollegiate athletics or any forms of intercollegiate competition or representation.
      • Ineligibility to receive a university-administered scholarship or fellowship when the “Honor Violation Probation” is in place for longer than one semester. Some scholarships adhere to more strict guidelines, and, therefore, ineligibility may result from a lesser length of time on “Honor Violation Probation.”
      • Ineligibility to receive an Aggie Ring, to pre-register for classes, or to receive a diploma.
      • Additional restrictions or conditions also may be imposed, depending on the timing, nature and severity of the misconduct. Examples are inability to receive an official transcript and inability to participate in commencement exercises.