

<u>AGE-860</u>	<u>Principles of Agricultural Economics</u>	3(3-0)
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1. Educational Objectives:

The graduate should be able to carry out both qualitative and quantitative analysis of agricultural economic systems. In addition, the graduate should be able to design and execute research work aimed at the analysis of economic systems and actual implementation of agricultural development programs and projects. Upon completion of the course the student will learn to list and explain different agricultural economic fields, including the food industry, demand theory (e.g., demand and price analysis, consumer behavior, and market price determination), supply theory (e.g., production economics, cost analysis, and optimal output levels), and competitive environments (e.g., perfect and imperfect competition). The main objectives of the course are to:

- Prepare students for postgraduate economics and business courses
- Introduce the fundamental principles of economics

2. Course Outcomes:

This course highlights economic principles, with emphasis on their application to the solution of farm, agribusiness, and agricultural industry problems. Agriculture is the principal sub-sector in the economies of many developing countries in the absence of a strong industrial sector. It is a source of income to farmers, affiliated entrepreneurs, source of employment, earns the country foreign exchange etc. In many developing countries, agriculture is carried out on small farms with inherent differences in agro-ecological conditions, limited resource base and basic technology. The course of MS in Agribusiness is conceptualized and designed to produce manpower that is expected to contribute towards the goal of self-reliance and motivation in skilled manpower for national development especially for the agricultural sub-sector in entirety, the objective of the course is to produce experts trained in the discipline of agriculture, economics and management with good blending of practical work to promote agricultural development and living standards. After completion of the course students are expected to be able to:

- Explain the nature of economics
- Analyze and calculate opportunity cost

- Explain how equilibrium price is determined in a free market through the interaction of supply and demand
- Calculate elasticities of demand and supply

3. **Course Contents:**

- Definitions and overview of economics and related terms
- Principles of Microeconomics
- Principles of Macroeconomics
- Econometrics
- Nature and scope of agricultural economics;
- Agriculture as an industry,
 - its peculiarities & role in national economy;
- Organization and structure of the agriculture markets
- Theory of Production;
- Production Economics
- Factors of production and their rewards;
- Decision Tools for Agrieconomics
- Laws of return and its significance in agriculture;
- Land utilization and land use policy;
- Land tenure systems and land reforms.
- Important indicators and issues of agriculture sector in Pakistan.

4. **Recommended Books**

1. Penson, J. B., Capps O. Rossen C. P., & Woodward, R. (2013). Introduction to Agricultural Economics. 5th Edition. New Jersey: Prentice Hall.
2. Samuelson, P. A., & Nordhaus, W. D. (2009). Economics. 19th Edition. New York: McGraw-Hills.
3. McConnel, C.R; Brue, S.L and Flynn, S.M. (2011). Economics: Principles, Problems and Policies 19th Edition. New York: McGraw-Hills