

AREC 420 International Agricultural Trade and Marketing

Spring 2024

3 credits

MWF: 12:55pm – 02:10pm

Food Safety Processing Building 126

Faculty Contact Information:

Instructor: Andrew Muhammad, Ph.D.

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Office Hours: My office is 309 Morgan Hall. Stop by or schedule an appointment by email.

Course Description:

Introduction to international trade and how trade affects agricultural and resources markets; partial equilibrium analysis of international trade in agricultural products; institutional aspects of international marketing of agricultural products.

Required Prerequisite(s): AREC 320, ECON 311, or equivalent course.

Student Learning Outcomes/Objectives:

To provide students with an understanding of the fundamentals of international trade and the basic skills for analyzing the economics of international trade. Additionally, trade agreements and policies such as tariffs and regulatory barriers will also be discussed.

Course Communications:

CANVAS will be used to post power points and reading material

Texts/Resources/Materials:

Required: International Trade and Agriculture: Theories and Practices. W.W. Koo and P. Lynn Kennedy. First Edition. ISBN: 9780470759165. [This should be available on Amazon (new or used)]. There is an e-version on CANVAS for \$38.32 (See: VolBooks Course link.)

Course Requirements, Assessments, and Evaluations:

Attendance and Participation (10% of total)

Attendance will be taken when there are guest lecturers and periodically through the course. If you are absent on the day attendance is taken without an excused absence, your overall grade will be decreased by 2%. There will be a class sign-in sheet to take attendance. Participation in class is also critical since this is a policy-oriented course. There are no wrong opinions or sides of the argument.

Assignments (30% total)

About 3-4 assignments will be given throughout the course. *Contact instructor prior to assignment due date if there is an adequate reason the assignment cannot be turned in on time.*

Tests/Exams (45% total)

3 exams (including final exam): 15% for each exam.

Contact instructor prior to the exam if there is an adequate reason the exam cannot be completed on the exam date.

Class Paper (15% total)

You are required to describe the agricultural trade and domestic policies of a particular country of your choice. You can choose any country except the United States. Also, prepare a PowerPoint to present to the class. Students taking this course for graduate credit are required to also perform partial equilibrium analysis on a trade policy affecting their chosen country. More information on this project will be given to you later in the semester.

Graduate Students Taking Class for Graduate Credit

For graduate students taking the course for graduate credit, you will have additional requirements for the class paper. Specifically, you will be required to include applied economic analysis of the impact of a policy on the production and consumption of an agricultural product within the country chosen. For example, if the country you chose has an import tariff, you could use partial equilibrium analysis to show the impact of the tariff on consumer and producer surplus in the country. More details on this will be provided later in the semester.

Grading Scale: The following scale will be used to assign final course grades:

A = 94-100	C = 74-76
A- = 90-93	C- = 70-73
B+ = 87-89	D+ = 67-69
B = 84-86	D = 64-66
B- = 80-83	D- = 60-63
C+ = 77-79	F = <60

Final Exam Date: Wednesday, May 15th, 3:30 p.m. – 6:00 p.m. (Food Safety Processing Building 126)

Course Outline (*subject to change*):

Topics Covered Prior to Exam 1

- Introduction to U.S. and Global Agricultural Trade
 - Koo & Kennedy Chapter 1
 - Lecture notes and handouts
- Understanding the Balance of Trade (Macroeconomics of trade)
 - Lecture notes and handouts

- Arguments for and against Protectionism
 - Lecture notes and handouts
- Pure Theory of International Trade
 - Koo & Kennedy Chapter 2: Comparative and Absolute Advantage
 - Koo & Kennedy Chapter 3: Comparative Advantage with Two Factors of
 - Koo & Kennedy Chapter 4: Comparative Advantage and Factor Endowments

Topics Covered Prior to Exam 2

- Overview of Consumer and Producers Surplus (Lecture notes and handouts)
- Koo & Kennedy Chapter 6: The partial equilibrium analysis of international trade (small and large country)
- Trade Policies and Protectionism
 - Koo & Kennedy Chapter 7: Trade Restrictions: Tariffs
 - Koo & Kennedy Chapter 8: Non-Tariff Trade Barriers
 - Mathematical Analysis: Small country examples (Lecture notes and handouts)

Topics Covered Prior to Exam 3 (Final Exam)

- Domestic Support in a Global Context
 - Koo & Kennedy Chapter 9: Domestic Support Policies and Trade
 - Producer Support Estimates (Lecture notes and handouts)
- Introduction to the World Trade Organization and Trade Agreements
 - Koo & Kennedy Chapter 10: Multilateral Trade negotiations and US Trade Policy
 - Koo & Kennedy Chapter 11: Economic integration
- The Role of Exchange Rates
 - Koo & Kennedy Chapter 12: Foreign Exchange Markets and the Exchange Rate
 - Koo & Kennedy Chapter 13: Agricultural Trade and Exchange Rates

Class Presentations on Project (Details will be given later in the semester.)

University Policies

Check the University for drop dates and related policies.

Attendance

Students are required to attend class. Participation grades will be partly determined by attendance.

Campus Closures

Online, distance, and hybrid courses follow the same academic calendar and semester schedule as on campus courses. If the university closes campus for any reason, including inclement weather, instructors teaching online should not penalize students who are unable to

attend, submit assignments, or otherwise participate in an online, distance, or hybrid class session.

University Civility Statement

Civility is genuine respect and regard for others: politeness, consideration, tact, good manners, graciousness, cordiality, affability, amiability and courteousness. Civility enhances academic freedom and integrity, and is a prerequisite to the free exchange of ideas and knowledge in the learning community. Our community consists of students, faculty, staff, alumni, and campus visitors. Community members affect each other's well-being and have a shared interest in creating and sustaining an environment where all community members and their points of view are valued and respected. Affirming the value of each member of the university community, the campus asks that all its members adhere to the principles of civility and community adopted by the campus. See the [UT Principles of Civility and Community](#).

Disability Accommodations

Disability accommodation: If you need course adaptations or accommodations because of a documented disability or if you have emergency information to share, please contact the Office of Disability Services at (865) 974-6087.

University's Honor Statement

An essential feature of the University of Tennessee, Knoxville, is a commitment to maintaining an atmosphere of intellectual integrity and academic honesty. As a student, *I pledge that I will neither knowingly give nor receive any inappropriate assistance in academic work, thus affirming my own personal commitment to honor and integrity.* Click on http://catalog.utk.edu/content.php?catoid=1&navoid=156#hono_stat for more information.

Plagiarism

Students are also responsible for any acts of plagiarism. Plagiarism is using the intellectual property of someone else without giving proper credit. The undocumented use of someone else's words or ideas in any medium of communication (unless such information is recognized as common knowledge) is a serious offense, subject to disciplinary action that may include failure in a course and/or dismissal from the university. Specific examples of plagiarism are:

1. Copying without proper documentation (quotation marks and a citation) written or spoken words, phrases, or sentences from any source;
2. Summarizing without proper documentation (usually a citation) ideas from another source (unless such information is recognized as common knowledge);
3. Borrowing facts, statistics, graphs, pictorial representations, or phrases without acknowledging the source (unless such information is recognized as common knowledge);
4. Collaborating on a graded assignment without the instructor's approval;
5. Submitting work, either in whole or in part created by a professional service and used without attribution (e.g., paper, speech, bibliography, or photograph)."

For more information visit <http://catalog.utk.edu/>.