

**STATE EDUCATIONAL INSTITUTION OF HIGHER  
PROFESSIONAL EDUCATION «RUSSIAN-ARMENIAN  
(SLAVONIC) UNIVERSITY»**

**Complied in accordance to state requirements for minimum content and level of graduates' training of the given directions and Regulations on Curriculum in RAU.**

**CONFIRMED:**

**Director Aramyan Zh. B.**



**INSTITUTE OF ECONOMICS AND BUSINESS**

**Chair: Economic Theory and the Issues of Transition Period Economies**

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***CURRICULUM***

**Discipline: Agricultural Policy**

For Master Programs

**Specialization: Political Economics**

**Direction: Economics**

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## **1.1. Abstract**

Economics is important in any given country as it creates nations welfare. On the other hand, agriculture economics is important as well as it ensures nations food security. Recent developments in approaches in economics are crucial to get along with challenges worldwide. This course explains major trends and differences in agricultural policies across countries, using economic theory to understand what governments do and how agents operating in the food and farm sectors are likely to respond. In addition, course examines domestic and international agricultural issues and the role of interest groups in formulating agricultural policy. It discusses how is it possible to use economic tools to evaluate the impact of agricultural policy on producers, agribusinesses, consumers, and rural residents. Students parallel will develop an understanding of the economic impact of the agricultural policies of individual nations on international trade. Policy issues such as price and income stability, the environment, food security, and rural development will be discussed during the course.

The course is for 18 lecturing hours and planned for one semester. It gives two academic credits. The course ends by the pass (A to FX grades).

## **1.2. Requirements for the initial level of students' knowledge and abilities**

The course is for first-year graduate students. There are no specific prerequisites for attendance. More advanced students with stronger backgrounds in economics and agribusiness will be able to apply that knowledge in the context of this course.

## **2.1. Aim and objectives of the discipline**

The aim of the course is to provide students with an understanding of the motivations for government policies related to food and agriculture, and the policy instruments that are used to pursue policy objectives. This course is intended to provide students with the tools to understand and analyze both current and future agricultural policies.

The objectives of the course are to develop the student's understanding of the political, economic, social and cultural approach to domestic and international food and agricultural policy that include:

- 1) What is a nature of agricultural policy? What are the general reasons for government intervention? What and who are the basic government institutions and actors?
- 2) Why do governments become so heavily involved in protecting, regulating, promoting, subsidizing and intervening in the food and agricultural sector?

- 3) Why do countries have public policies for food and agriculture? – What are the conditions of the food and agricultural sector that give rise to public concern and government intervention? What is the role of food and agriculture to the economic development of a country? How do the political economy, the political institutions, participants, and legal environment affect the nature of government intervention?
- 4) What is the nature of government intervention, what issues are and should be addressed by public policies in food and agriculture? What is the objectives of agricultural policies instruments?
- 5) What are the impacts and consequences? – What are the benefits and costs of government intervention? What are the intended and unintended effects of government intervention? How do these consequences lead to or constrain the ability of governments to change or reform policies as issues change? What is the nature of international agricultural policies?

At the conclusion of this course, students are expected to have good understanding of the agri-food policy environment, the policy formulation process, and the institutions or groups involved in agri-food policy making.

## **2.2. Requirements for the level of learning the discipline content (learning outcomes)**

After finishing the course, students should be able to:

1. Understand how agricultural policies are incorporated into a broader framework of economic policies linking with other sub-sectorial policies
2. Critically evaluate and understand various agricultural and rural development policies and their conceptual frameworks
3. Discuss policies that have succeeded and those that have not, with explanations of why?
4. Analyze and assess recent trends in agricultural and rural development policy
5. Understand policies with special reference to food security and trade facilitation, and the tasks and challenges of integrated rural development.

### **Assignments**

**Home Assignment:** Students will be given papers about rural development policies to critique. These reviews should reflect their understanding of the theories and concepts about the course and its application to the real world, and the advantages and disadvantages of some of the policies to the rural people. The length of each review should be up to 1,200 words.

**Class Assignment:** During the lectures, there will be discussion of case studies and the evaluation will be based on the feedback form students.

**Course Project:** Your semester-long project is a major component of the course grade. It is expected to be an analytical review of the literature on a researchable topic or policy question. The result of the project is a written document. The review paper with analytical components. Students are required to write a term paper about “National development policies affecting the rural and agricultural sector”, they will select one developing country, they should summarize and to critique some policies of the specific country. It is supposed to have also class PPT presentation.

### **Grading Policy**

**The final course grade is calculated from points earned from participation, homework assignments, examinations and a course project, as follows:**

Participation 10%

Class assignments 10%

Course project 55%

Final examination 25%

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Total 100%

## **2.3. The complexity of the discipline and types of educational work (in academic hours and credits)**

### **2.3. 1. Discipline volume and types of training activities in accordance with the working study plan**

Types of educational work	Total hours	Hours in semester	
		I semester	II semester
1	2	3	4
1. Total complexity of discipline by semesters, including	<b>72</b>	-	<b>72</b>
1.1. Auditorium learning, including	18	-	18
1.1.1. Lectures	18	-	18
1.1.2. Practical learning	-	-	-
2. Independent work	54	-	54
3. Form of the final control: Exam/Credit		-	<b>Pass</b>

### 2.3.2. Content of the discipline and weights for the forms of control

Discipline volume distribution on the topics and types of training activities

Sections and topics of discipline	Total hours	Lectures, hours
1	2	3
<b>Part 1. Introduction to agri-food policies</b>	<b>4</b>	<b>4</b>
Topic 1. The role and importance of agriculture in economic development.	2	2
Topic 2. Evolution of agri-food policies	2	2
<b>Part 2. Strategies and the agricultural policy framework</b>	<b>6</b>	<b>6</b>
Topic 1. The nature and the objectives of agricultural policy instruments	2	2
Topic 2. Causes and economic consequences of government intervention	4	4
<b>Part 3. Agriculture and the rest of the economy: prices and macro linkages</b>	<b>4</b>	<b>4</b>
<b>Part 4. Agricultural policies in various regions</b>	<b>4</b>	<b>4</b>
Topic 1. Armenian Agricultural Policy	2	2
Topic 2. International Agricultural Policies	2	2
<b>TOTAL</b>	<b>18</b>	<b>18</b>

Academic credits

2

Weights and forms of control	Weights of forms of current controls in the resulting mark of the current control			Weights of forms of intermediate control, and the resulting mark of the current control in the final mark of the intermediate control		
	M1	M2	M3	M1	M2	M3
Type of training activities/control						
Presentation				0	0,6	0,6
Recitation/Group presentation/Discussions	0	1	1			
Weight of the resulting marks of current controls in the final marks of appropriate intermediate control				0	0,4	0,4



## **2.4. Content of sections and topics of the discipline**

### **Part 1. Introduction to Agri-Food Policies**

**Topic 1. The role and importance of agriculture in economic development.** The Agricultural Sector and Economic Growth. Agricultural Growth and Poverty Reduction.

**Topic 2. Evolution of Agri-Food Policies.** Long-term trends in agricultural policy reform. Reducing trade distortions. Increasing market orientation. Shifting to budgetary payments Declining use of input subsidies Improving environmental performance Facilitating structural adjustment and rural development Greater focus on regulatory reforms.

#### **Literature for students:**

1. **Roger D. Norton**, Agricultural Development Policy, Concepts and Experiences, Wiley, 2004
2. **Roland D. Knutson**, Agricultural Food Policy, Pearson, 2007
3. **Matthews A.**, 2018: The EU's Common Agricultural Policy, Post 2020:, Food and Agriculture Organization of the United Nations and International Centre for Trade and Sustainable Development (ICTSD) International Environment House 2
4. Agricultural Policies in OECD Countries, Monitoring and Evaluation, OECD, 1999

### **Part 2. Strategies and the Agricultural Policy Framework**

**Topic 1. The Nature and the objectives of Agricultural Policy Instruments.** Strategies and Policies. Sectoral Strategies. Why Agricultural Policy? Types of Agricultural Policies. A Taxonomy of Agricultural Policies. Policies, Programs and Projects. Objectives of Agricultural Policy. National and Sectoral Objectives. Principles of Agricultural Policy.

**Topic 2. Causes and Economic Consequences of Government Intervention.** The Role of Government. Implementation of Strategies and Policies. Conditions leading to Governmental involvement. Constraints on Governmental involvement.

#### **Literature for students:**

1. **Roger D. Norton**, Agricultural Development Policy, Concepts and Experiences, Wiley, 2004

2. **Roland D. Knutson**, Agricultural Food Policy, Pearson, 2007
3. **Caffiero C.**, Agricultural Policies in Developing Countries, Training Materials, NAPC, 2014
4. **Bilal S.**, The Political Economy of Agricultural Policies and Negotiations: a review of empirical literature, Chapter 3, Agricultural Trade and the “Millennium” WTO Round. 2000.
5. **Matthews A.**, The EU’s Common Agricultural Policy, Post 2020:, Food and Agriculture Organization of the United Nations and International Centre for Trade and Sustainable Development (ICTSD) International Environment House 2, 2018.
6. **OECD**. “Farm Household Income Issues in OECD Countries”. Part I in Farm Household Income: Issues and Policy Responses, Paris, France, 2003.

#### **Additional literature for students/lecturers:**

1. **Moon W. et al.**, Agricultural Protection, Domestic Politics, and International Political Economy: What is the Role of the State in Explaining Agricultural Protection?, Agricultural and Applied Economics Association’s 2016 Annual Meeting, Boston, 2016.
2. **Lehmann H. S., Volckart O.**, The Political Economy of Agricultural Protection: Sweden 1887, Max Planck Institute for Research on Collective Goods Bonn, 2010
3. **Sarker, R. et al.**, The Political Economy of Systematic Government Intervention in Agriculture. Canadian Journal of Agricultural Economics, 1993.
4. **Swinnen Jo**, The Political Economy of Agricultural Protection: Europe in the 19th and 20th Century, 12th Congress of the European Association of Agricultural Economists, 2008

#### **Part 3. Agriculture and the rest of the economy: prices and macro linkages**

Agricultural Policy and the Macroeconomic Framework. Improving the Incomes of the Rural Poor. Gender and Agricultural Development. Selected Issues in Privatization. Agricultural Prices and Their Determinants. Trade Policy. Fiscal Policy and Agricultural Prices. Sectoral Policies that Influence Agricultural Prices. Food Security, Agricultural Prices and the Rural Poor. Observations on Price Stabilization and Agricultural Development.

#### **Basic literature for students:**

1. **Roger D. Norton**, Agricultural Development Policy, Concepts and Experiences, Wiley, 2004
2. **Roland D. Knutson**, Agricultural Food Policy, Pearson, 2007
3. **Caffiero C.**, Agricultural Policies in Developing Countries, Training Materials, NAPC, 2014



4. **European Commission**, International aspects of agricultural policy, Background Document for the Advisory Group on International Aspects of Agriculture, 2012

**Additional literature for students/lecturers:**

1. **Matthews A.**, The EU's Common Agricultural Policy, Post 2020:, Food and Agriculture Organization of the United Nations and International Centre for Trade and Sustainable Development (ICTSD) International Environment House 2, 2018.
2. **I. Goldin, O. Knudsen and D. van der Mensbrughe**, Trade Liberalization: Global Economic Implications, OECD, Paris, 1993. The US Department of Agriculture and other institutions provide regular updates of these estimates.
3. **Bodvarsson, Örn B., Van den Berg, Hendrik**. The Economics of Immigration Theory and Policy. 2009. 428 p.
4. **Mary E. Burfisher, ed.**, The Road Ahead: Agricultural Policy Reform in the WTO– Summary Report, Market and Trade Economics Division, Economic Research Service, U.S. Department of Agriculture, Agricultural Economic Report No. 797, January 2001, p. 8.
5. FAO, SEAGA Macro Handbook: Gender Analysis in Macroeconomic and Agricultural Sector Policies, Food and Agriculture Organization of the United Nations, Rome, draft, March 2002, pp. 39–40.
6. The World Bank, Engendering Development – Through Gender Equality in Rights, Resources and Voice, Policy Research Report, The World Bank, Washington, DC, USA, 2002, p. 16.
7. IFAD, Rural Poverty Report 2001: The Challenge of Ending Rural Poverty, Oxford University Press, Oxford, UK, 2001, p. 86.
8. Jo Swinnen and Frans A. van der Zee, 'The political economy of agricultural policies: a survey', European Review of Agricultural Economics, 20(3), 1993, pp. 261–262.
9. Garrone M., et al., Jobs and Agricultural Policy : Impact of the Common Agricultural Policy on EU Agricultural Employment, IAAE. 2018

**Part 4. Agricultural policies in various regions.**

**Topic 1. Armenian Agricultural Policy.** Role of agricultural sector in the economy. Land reform. Development of approaches of agricultural policies. Policy impact.

**Topic 2. International Agricultural Policies.** US farm policies. Historical perspective. Farm problems and policy goals. Farm policy options and programs. US trade and development goals and policies. EU agriculture policy in a changing world. The international dimension of agricultural policy. New reform proposals. Main features of EU agricultural trade. EU export performance. EU import performance. Impact of CAP on developing countries.

**Basic literature for students:**

1. **Roger D. Norton**, Agricultural Development Policy, Concepts and Experiences, Wiley, 2004
2. **Roland D. Knutson**, Agricultural Food Policy, Pearson, 2007
3. **Schmitz, A., et al.**, Agricultural Policy, Agribusiness and Rent-Seeking Behavior, Chapter 7, EU Agricultural Policy and Reforms 2010

**Additional literature for students/lecturers:**

1. **Matthews A.**, 2018: The EU's Common Agricultural Policy, Post 2020:, Food and Agriculture Organization of the United Nations and International Centre for Trade and Sustainable Development (ICTSD) International Environment House 2
2. **Cantore N.**, et al., CAP Reform and Development, Overseas Development Institute, 2011
3. **Vincent H. Smith**, US Agricultural Policy Beyond 2018: Implications for the World Trade Organization, International Centre for Trade and Sustainable Development (ICTSD), 2018
4. **Garrone M., et al.**, Subsidies and Agricultural Productivity: CAP payments and labour productivity (convergence) in EU agriculture, LICOS Discussion Paper Series, 2018

**Other resources**

1. Food and Agriculture Organization of the United Nations (FAO). <http://www.fao.org/home/en/>
2. International Food Policy Research Institute (IFPRI). <http://www.ifpri.org/>
3. International Fund for Agricultural Development (IFAD). <http://www.ifad.org/index.htm#>
4. World Bank; Multiple research and data sources.

**Web resources**

1. <http://www.worldbank.org/en/region/afr/brief/office-of-chief-economist-in-the-africa-region-afrce>
2. <http://data.worldbank.org/topic/agriculture-and-rural-development>
3. <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/0,,contentMDK:20279993~menuPK:477172~pagePK:64165401~piPK:64165026~theSitePK:469372,00.htm>

#### **4.Educational and methodical provision of the discipline**

##### **4.1. Recommended reading:**

- a) *Basic literature* – is given above.
- b) *Additional literature* – is given above according to topics.