

AGRICULTURAL ECONOMICS AND GOVERNMENTAL POLICY

GRADE LEVEL: 12th

LENGTH: Year

PREREQUISITE: A sequence of Agricultural courses or consent of instructor.

GRADUATION CREDITS EARNED: 5 units Government and 5 units Economics.

DESCRIPTION

America's agricultural industry is the mainstay of the United States economy. Understanding economics and regulations of this diverse industry is critical to its continued success and prosperity. Students will study the constitution, governments, federalism, the 1991 U.S. Farm Bill, microeconomics, macroeconomics, economic systems, and agricultural marketing. The class will run its own business, manage other businesses, and visit many others to gain first-hand understanding of the industry. Computers will be used extensively to learn economic analysis and interpolation.

GOALS

1. Emphasize the fact that the type of government developed by the founding fathers was influenced by the prevailing values of the time. Show that there were principles considered essentials to American government by the founding fathers. Show that the Constitution evolved as a result of compromises: a balance of conflicting goals and values.
2. Include the structure, operation, and capacity for change of American institutions, such as the Congress, the presidency, the bureaucracy, the judiciary, and the political parties. Show that major institutions interact to produce and maintain policy. This policy process consists of integrating the views of people with different priorities, perspectives, constituencies, and terms of office.
3. Show there are various social and political differences in the population that are important to political outcomes at the federal, state, and local levels. Stress that there is political, civic, and social participation in a democracy. Emphasize that all citizens should be familiar with the Bill of Rights in a historical and contemporary setting, the amendment process, and the role of court interpretation and precedent in its evolution. Show that there are constant tensions between the desire for individual freedom, the necessity for individual ethical behavior, the will of the majority, the need for public order, and the relation of these tensions to the major contemporary domestic issues.
4. Show that similarities and differences exist between the structure and operation of federal governmental institutions and the institutions at the state and local levels, using California to illustrate. Show that federal, state and local governments each dominate different major policy areas. Show that there is a close relationship between the federal government and state and local governments. Show that federal, state, and municipal legal systems manage a variety of conflict among individuals, groups, and institutions. Show that initiatives, referenda, and recall illustrate direct democracy. The basis of taxation and the tax system as it relates to agribusiness. The major point of law as applied to an agricultural enterprise.
5. Consider the changes in national policy, from insulation to world leadership. Provide opportunities to compare the American government with other contemporary forms of governments based on specific criteria.
6. Show that there was a continuing post-war preoccupation with security that influenced both domestic and foreign policy. Provide opportunities for students to analyze our governmental system in light of contemporary domestic and international issues. How government organizations affect agriculture and agribusiness.
7. Demonstrate that the study of economics requires the understanding of certain fundamental concepts and terms. Include a study of the tools of analysis, such as charts, graphs, statistics, and marginal analysis. Show that economics measure economic performance by using certain economic indicators. Make it clear that basic economic problems facing society is the condition of scarcity, or limitation on productive resources

relative to human wants. As a result of scarcity, choices must be made, taking into account the opportunity costs of each choice. Basic economic principles as they relate to agribusiness and agriculture.

8. Demonstrate that all societies have economic systems that enable them to make choices on what to produce, how to produce it, and for whom to produce it. the economic system of the United States relies primarily on the market to make these choices. Show that the United States has an economy characterized by certain important elements, including competition and market structure, freedom of choice, private ownership, and profit and loss.
9. Help students realize that all individuals should utilize economic concepts and consumer skills in their decision making in place of emotional, unreasoned judgment. Demonstrate that labor, agriculture, and business organizations have played major roles in the historic and contemporary development of the United States economy. Understand that managing an agribusiness firm requires planning, organizing, controlling, and directing. The importance and benefits of management decision-making aids.
10. Show that the government plays a role in the United States market economy. Make it clear that all economies need money to facilitate specialization and the exchange of goods and services. Monetary policy which seeks to regulate the money supply is the responsibility of the Federal Reserve Board. Show that the United States economy is characterized by a system of financial institutions which intermediate between savers and borrowers. Show that all economies are characterized by business cycles with periods of inflation, deflation, and unemployment. Farm credit and how the role of credit in agriculture. The basic insurance requirements of an agribusiness.
11. Illustrate that the history of the United States has been characterized by economic growth and general improvements in the standards of living. Show that international trade and the movement of people across national borders has had a major impact on the economies of the United States and the rest of the world. Show that the distribution of income in the United States is a result of an interaction of market forces and government policies.
12. The elements of marketing and marketing concepts. The historical and continuing importance of farm cooperatives and how they function.
13. Provide opportunities for students to develop basic, creative and critical thinking, and interpersonal or social participation skills.
14. Identify and describe careers in agriculture. The use of the microcomputer.

OUTLINE

	<u>Unit</u>	Model Curriculum Standards Addressed		
		<u>Hours</u>	<u>Government</u>	<u>Economics</u>
<u>Ag Busi Mngt</u>	The Constitution	15	1,2,3	
	American Government	15	4,5	
	Civil Liberties	15	6,7,8,9	
	Federalism	15	10,11,12,13,14	
K,P	Comparative Governments		15	15,18
	Agricultural Policy	15	16,17	
D	Agricultural Economics	15		1,2,3,4
E	Comparative Economics	15		5,6
	Microeconomics	15		7,8
C,Q	Macroeconomics	15		9,10,11,12
F,L	Agricultural Trade	15		13,14,15
	Agricultural Marketing	15		
M,N	FFA Pali-pro public speaking	10		

CONTENT**The Constitution****MCS: 1,2,3(GOV)**

1. Emphasize government developed on protestant ethic, civic republicanism, religious tolerance, spirit of individualism, philosophy of natural rights, no hereditary aristocracy, no established church, wide ownership of land, and a rural society.
2. Show principles considered essential were separation of powers, checks/balances, federalism, equal representation, due process, popular sovereignty, individual rights/responsibilities, and common shared values.
3. Show Constitution evolved as a result of compromise: majority rule/minority rights, strong executive/Articles of Confederation, state and local autonomy/centralized government, large states/small states, popular rule/knowledgeable elite rule, and conflict between equality and liberty.

American Government**MCS: 4,5(GOV)**

1. Explain the structure, operation, and capacity for change of the Congress, the presidency, the bureaucracy, the judiciary, and the political parties.
2. Demonstrate interaction between major institutions relative to: the formulation process, coalition-building, implementation, maintenance/renewal, and overall importance of cooperation and compromise.

Civil Liberties**MCS: 6,7,8,9(GOV)**

1. Explain the social context of American politics relative to socioeconomic status, race, sex, religion, age, and region.
2. Demonstrate cleavages in public opinion: party identification, political ideology, and attitudes.
3. Investigate the types of elections, voting, membership, and volunteerism.
4. Emphasize the Bill of Rights: freedom of speech, freedom of the press, right to assembly, freedom of religion, due process, and protection against discrimination.
5. Show the constant tensions between individual freedoms and public necessity: crime, discrimination, eminent domain, taxes, defense, and schooling.

Federalism**MCS: 10,11,12,13,14(GOV); K,P(ABM)**

1. Demonstrate differences in structure of federal, state, and local governments relative to officers, functions, court systems, and law enforcement.
2. Explain the role of local government in education, crime, taxes, and regulation.
3. Investigate the relationship between federal and state governments relative to reserve powers, incorporation, jurisdiction, resources.
4. Investigate the relationship between federal and state legal systems relative to criminal and civil matters as well as family and juvenile law.
5. Understand the basis of taxation and the tax system as it relates to agribusiness.
6. Understand the major points of law as applied to an agricultural enterprise.

Comparative Governments**MCS: 15,18(GOV)**

1. Explain the major forms of governments in the world and their leaders relative to structure, goals, and objectives.
2. Consider the changes in national policy and world leadership relative to war, treaties, and trade.

Agricultural Policy**MCS: 16,17(GOV); D(ABM)**

1. Investigate current domestic and international issues in the context of U.S. Agricultural Policy.
2. Investigate the continuing post-war preoccupation with security.
3. Understand how government organizations affect agriculture and agribusiness.

Agricultural Economics**MCS: 1,2,3,4(ECO); E(ABM)**

1. Understand basic economic principles as they relate to agribusiness and agriculture.
2. Use charts, graphs, and statistics to analyze economic trends.
3. Measure economic performance using National Income Accounting, Gross National Product, Consumer Price Indexing, Inflation, and Unemployment rates.
4. Demonstrate economics is based on scarcity, trade-offs, choices, opportunity costs, wants, and productivity of resources.

Comparative Economics**MCS: 5,6(ECO)**

1. Demonstrate all societies have their own economic systems and the market, government, income, and supply/demand play a role in the system.
2. Investigate how the U.S. economy is influenced by competition, market structure, free choice, private ownership, and profit/loss.

Microeconomics

MCS: 7,8(ECO), C,Q(ABM)

1. Demonstrate how individuals utilize economic concepts to make decisions about; scarcity, opportunity costs, comparison shopping, budgeting, consumer/property rights/responsibilities.
2. Demonstrate how labor, agriculture, and business affect the economy relative to forms of business organizations and labor unions.
3. Understand that managing an agribusiness firm requires planning, organizing, controlling, and directing.
4. Understand the importance and benefits of management decision-making aids.

Macroeconomics

MCS: 9,10,11,12(ECO); F,L(ABM)

1. Demonstrate how the government plays a role in public goods/services, economic stability, full employment, income redistribution, correcting market failures, regulating the economy, and tax policy.
2. Demonstrate how the money supply, financial institutions, the Federal Reserve System, and monetary policy affect the exchange of goods and services.
3. Explain how financial institutions intermediate between savers and borrowers relative to savings/borrowing, interest rates, investments, and financial intermediaries.
4. Investigate the effects of business cycles on unemployment, recession, and inflation.
5. Understand farm credit and know the role of credit in agriculture
6. Understand the basic insurance requirements of an agribusiness.

Agricultural Trade

MCS: 13,14,15(GOV)

1. Demonstrate how territorial expansion, inventions/innovations, technological improvements, increase in capital stock, education, and major resource discoveries have lead to an overall improvement in the standard of living.
2. Investigate imports/exports, balance of payments, exchange rates, international trade, immigration, development of third world countries, the World Bank, the International Monetary Fund, foreign investment, and absolute/comparative advantage has on the U.S. and world economy.
3. Explain how market determination of wages/rents/interest/profit, taxes, transfer payments, regulations, minimum wage laws, agricultural price supports, poverty, and inheritances distribute income in our society.

Agricultural Marketing

MCS: M,N(ABM)

1. Understand the elements of marketing relative to systems, types, grades/standards, hedging/speculation, plans, markets, and distribution.
2. Understand the historical and continuing importance of farm cooperatives relative to formation, roles, organization, purposes, and opportunities.