AGRICULTURAL ECONOMICS

Ordinary and Higher Level Courses

A- The Agricultural Industry

1. A broad picture of farming in Ireland and in other countries based on the use and assessment of the more important sources of statistical information; number and sizes of holdings; livestock numbers and crop acreages; population and labour trends.

2. Brief outline of the main development of farming in Ireland in the post famine period with a more detailed account of developments since the Second World War.

3. Ireland’s foreign trade in agricultural products- value of agricultural exports in relation to total exports.


B – Economic Principles

(N. B. In so far as is practicable all examples and explanations in this section should be drawn from agriculture)

5. Economics: definition; basic concepts; the organisation of the economic system; price information.

6. Demands: definition; factors influencing demand.

7. Supply: definition; factors that cause supply to vary in abort, intermediate, and long run periods.

8. Markets: definition and functions; and the nature of competition in agricultural markets; variation in level of prices over time; the world food situation; markets for Irish farm produce; Government intervention; co-operation – principles, practice and scope.

C – The Application of Economics to the Individual Farm

9. The farm as a business unit: The factors of production; land, labour, capital and management. The farmer as a decision maker in relation to what to produce, how to produce and how much to produce. Organisation of production to maximise profits.

10. Costs: fixed and variable costs: problems of farm costings; valuation and allocation of fixed costs; valuation of joint products; physical measurement of inputs and outputs.

11. Farm recording and accounting: Reasons for keeping records and accounts; useful financial and physical records in relation to milk, pigs, poultry, crops, grazing, etc.; problems of measurement and valuations; precautions in interpretation.
12. System of accounts: advantages and disadvantages of different systems; practical farm accounting; the enterprise and whole farm approach; data which should be recorded.

13. Analysis of farm accounts: defining and calculating output expenses, gross margin and income, different methods of analysing the farm business; advantages and disadvantages of each.

14. Farm planning and budgeting: reasons for making plans and budgets; appreciation of the factors involved in planning a farm business.

15. Finance: capital and credit necessary for running and expanding the farm.

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D – Economics for the Farming Industry


17. Farmers' incomes: comparison with incomes in other sectors; reasons why farmers' incomes tend to relatively low.

18. Farm policy: need for, and objectives of, such policy; how policy is formulated.

19. Policy Alternatives: the free market – its advantages and limitations; price supports; direct payments; production efficiency; marketing efficiency; education and research for farmers; reorganising farm sizes; provision of off-farm employment in rural areas for farm people; implications of these alternatives for different sizes and types of farms.

20. State aid to agriculture in Ireland: magnitude and trend.

1) The course requires a minimum of 3 hours per week over a two-year period.

2) The examination will consist of two parts, viz:

   (i) an oral, carrying, 20% of the marks, based on the assessment of the candidate's project or projects to be selected from the following:

   (a) records and accounts and their implications in relation to the whole-farm enterprise or a particular enterprise for a period of one year; the farm concerned must be candidate’s home farm or an adopted farm but not the school farm.
   (b) an economic survey of the candidate’s parish or electoral district.
   (c) any other suitable and worthwhile project of an agricultural economic nature.

A written examination (2 ½ hours) carrying 80% of the marks.