

Note: This electronic version was re-typed from the original in March, 2006

- 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.
4. Gross National Product: How measured: Agricultural production and income; the contribution of agriculture to gross national product.

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 short, 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.

D – Economics for the Farming Industry

16. Economic growth: the contribution of farming to economic growth on farming.
17. Farmers' incomes: comparison with incomes in other sectors; reasons why farmers' incomes tend to be 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.