

Economics, Management, Policy and Trade for Agribusiness and Communities

Goal: Colorado State University will enhance its focus and depth in undergraduate education, graduate education, research, and outreach in the economic and business aspects of agriculture, its' business firms, industries and policy issues, and be recognized nationally for these contributions. This will include experiential learning in the BS degree in Agribusiness offered on its own, or as a double major with agricultural sciences, natural resources, and human nutrition. Research and graduate education will focus on marketing strategy, financial and risk management, and firm responses to agricultural and trade policies. Moreover, the educational focus will be additionally on the role of natural resources in policy and agricultural performance. Outreach will include marketing, finance, risk and production management, and policy responses for agricultural input, production, and processing/merchandizing businesses of Colorado.

Purpose: Production agriculture is a \$6 billion enterprise in Colorado and, with related input, processing, and merchandising support industries, agriculture is a \$16 billion component of the Colorado economy. Production agriculture has changed over the years. Price and income supports are no longer the centerpiece of U. S. farm policy and with the new round of international trade negotiations, these supports likely will be of less value in the future. Agricultural producers now operate in a market-oriented, individual-responsibility environment. Producers, individually or in groups, are finding greater profitability in differentiated, consumer-oriented products requiring knowledge of supply and marketing chains, product differentiation, consumer product marketing, corporate accounting, and new risk and financial management tools. The newest themes for farmers, local commodity handlers, processors, and rural businesses are "total resource management" and "rural entrepreneurship." Also, the Census of Agriculture reports that there are decreasing numbers of mid- and large-sized farms and a significant increase in the number of small farms; the latter category of individuals frequently does not contain much agricultural business knowledge.

The Department of Agricultural and Resource Economics offers the B. S. in Agribusiness (217 majors in Fall 2008) and the B. S. in Agricultural Economics (15 majors in Fall 2008). With changes in curricula in the Equine Science and Animal Science majors, additional purposeful effort to develop secondary majors with Horticulture and Landscape Architecture and Forest, Rangeland, and Watershed Stewardship is being examined. With the recent growth in student interest in double majors, plus the differential tuition charges for courses in the College of Business, the demand for agribusiness courses is expected to grow rapidly. Colorado State University is in a strong position to assist with the economic development of Colorado's agricultural and rural industries, and to enhance the viability of agricultural and rural business by educating professionals for the agricultural industries with knowledge of modern business practices, researching technical and economic issues related to differentiated agricultural products in the ever-changing domestic and international market place, and by being actively involved with agricultural industry personnel and governmental agencies to assure that land managers and communities can evaluate a broad range of opportunities to enhance viability.

Strategic Actions:

- Grow the faculty to reflect growth in student demand and increased university emphasis on economic development and outreach.
- Strategically develop double majors with other disciplines and on-line courses (certification and degree completion). Potential areas include Natural Resources and Horticulture and Landscape Architecture.
- Host a high-profile policy conference attracting regional and national figures by 2010.
- Enhance the connection between the department and the Office of Economic Development and the Community Development Core Area in Extension.
- Promote and enhance closer connections with the College of Business.

Critical Resource Growth Needs:

- Add three faculty positions in agribusiness (economic development identified as one) to reflect student demand, increased emphasis on economic development and outreach, and complement the graduate program with differentiated Ph.D. classes.
- Add a \$100,000 annual fund to support graduate student first year stipends.
- Secure two endowed chair positions for the Department of Agricultural and Resource Economics.
- Enhance departmental operating support by \$70,000 annually.
- Upgrade facilities and computer support for faculty and staff. Specifically upgrade space for graduate students. Estimated cost is \$75,000.

Personnel:

Administrative Advisor: Steve Davies

Steering Committee Co-Chairs: [Dana Hoag](#) and [Stephen Koontz](#)

Steering Committee Members: DARE Executive Committee: Marshall Frasier, Stephen Koontz, James Pritchett, Andy Seidl, Dawn Thilmany, Steve Shulman, Bill Wailes, Lisa Youngblade